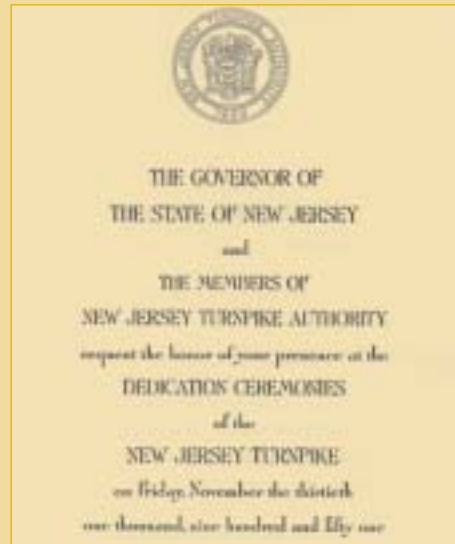


OPENING THE FUTURE

NEW JERSEY TURNPIKE

1951



New Jersey Turnpike Authority
2001 Annual Report



United We Stand

9.11.01

September 11, 2001 marked a change in the way we live our everyday lives. Men and women who went to work as though it were just an ordinary day quickly found themselves thrust into the role of protectors of their very own nation and way of life.

We at the New Jersey Turnpike Authority salute the brave men and women of our offices, the New Jersey State Police and all employees of the State of New Jersey who served in a myriad of capacities to ensure the flow of information and for continuity of services and security.

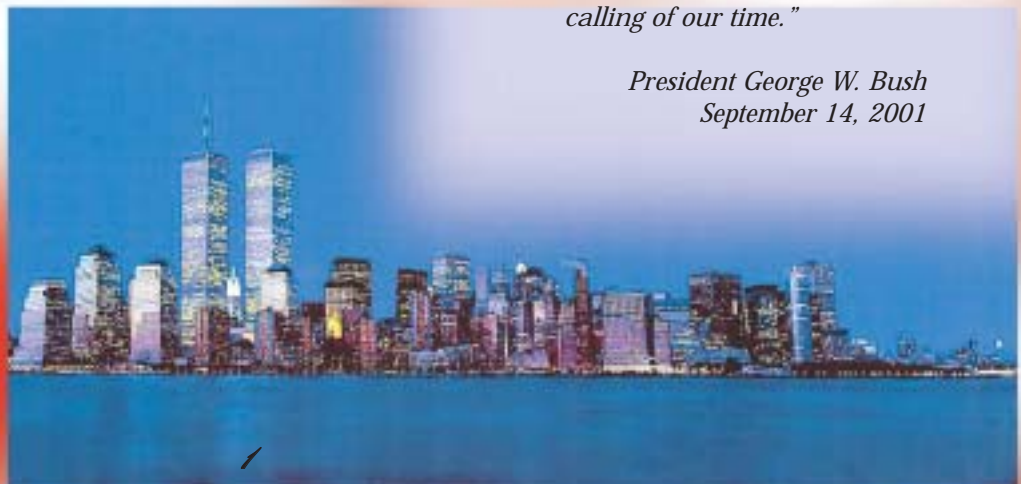
So much has been said regarding the tragic loss of life, and we at the Turnpike Authority offer our sincerest condolences to the families of the victims as well as our unending gratitude to the heroes of that day.

United We Stand.



"America is a nation full of good fortune, with so much to be grateful for. But we are not spared from suffering. In every generation, the world has produced enemies of human freedom. They have attacked America, because we are freedom's home and defender. And the commitment of our fathers is now the calling of our time."

*President George W. Bush
September 14, 2001*





New Jersey Turnpike Authority

ADMINISTRATION BUILDING P.O. BOX 1121 NEW BRUNSWICK, NEW JERSEY 08903
(732) 247-0900

JOSEPH SIMUNOVICH, *Chairman*
JOSEPH P. (J.P.) MIELE, *Vice Chairman*

COMMISSIONERS
FRANK X. MCDERMOTT
NANCY H. BECKER
RAYMOND M. POCINO

EXECUTIVE DIRECTOR
MICHAEL LAPOLLA



James E. McGreevey
Governor 2002

To the Honorable James E. McGreevey, Governor, and the Members of the New Jersey Legislature:

Marking a significant milestone not only in the transportation industry but also the state's history, the New Jersey Turnpike celebrated its golden anniversary in 2001, fifty years of service to the State of New Jersey and motorists throughout the region. It is with great pride that I present the 2001 Annual Report.

On November 5, 1951, the first section of the New Jersey Turnpike was officially opened to traffic. That first year, 787,195 vehicles traveled 38,246,174 miles. Fifty years later, during the year 2001, the New Jersey Turnpike served nearly 230 million vehicles, traveling 5.7 billion miles.

The New Jersey Turnpike continues to be recognized as being one of the safest roadways in the world. From its inception, it was billed as "America's Road", "the road of the future", an "engineering marvel" and "tomorrow's road today". Fifty years later, the New Jersey Turnpike Authority continues to exhibit its commitment to provide safe and efficient travel to its patrons. Engineering, construction, technology and highway accomplishments implemented in 2001 reflect this commitment.

This report proudly highlights the Authority's accomplishments throughout 2001 and reflects upon those of the past fifty years. On behalf of the Board of Commissioners, it is a privilege to present this history of our achievements.

Cordially,

Joseph Simunovich
Chairman

NEW JERSEY TURNPIKE AUTHORITY COMMISSIONERS

*From center to
left:*

*Joseph
Simunovich
Chairman*

*Joseph (J.P.)
Miele
Vice Chairman*

*James P. Fox
Commissioner
NJDOT*



*From center to
right:*

*Raymond M.
Pocino
Treasurer*

*Nancy H.
Becker
Commissioner*

*Frank X.
McDermott
Commissioner*



*Michael Lapolla
Executive Director*



*Diane Scaccetti
Deputy Executive Director
Administration*



*Timothy Dacey
Deputy Executive Director
Operations*

Staff

Ralph J. Bruzzichesi, Director of Technology & Admin. Services

William J. Burke, Director of Toll Collection

Randy Corman, Director of Law

Catherine A. Coryat, Chief Financial Officer

Robert F. Dale, Director of Operations

Lynn M. Fleege, Director of Public Affairs

Mary-Elizabeth Garrity, Director of Human Resources

Richard J. Raczynski, Chief Engineer

Daniel P. McNamara, Director of Maintenance

Consultants

Wilentz, Goldman and Spitzer, General Counsel

HNTB Corporation, General Consulting Engineer

Paulus Sokolowski & Sartor, Co-General Envir. Consultants

Louis Berger & Assocs., Inc., Co-General Envir. Consultants

Wilbur Smith Associates, Traffic & Revenue Consultant

Ernst & Young, Auditor

A LOOK BACK

“...the newest, handsomest, the sturdiest and, from an engineering point of view, just about the most spectacular piece of highway ever built.”



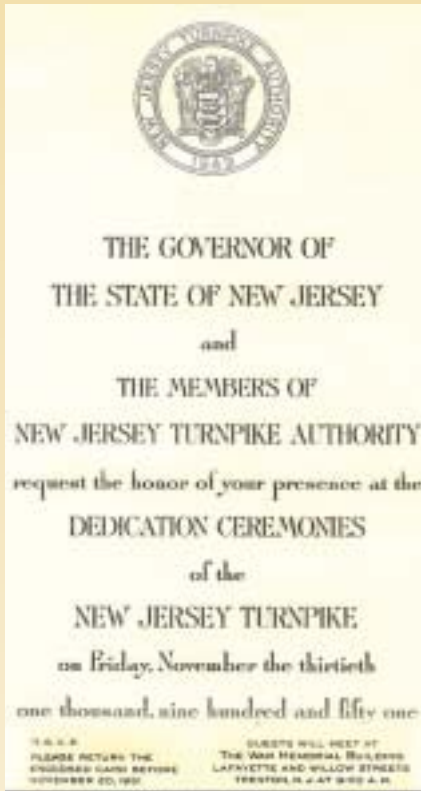
NOVEMBER 5, 1951 - A new era in transportation begins as the New Jersey Turnpike opens operations to serve the motoring public on the first 53-mile stretch of roadway extending from Interchange 1 in Deepwater to Interchange 7 in Bordentown. Following a grand opening ceremony of a catered breakfast at the War Memorial Building in Trenton, 1,500 invited guests anxiously awaited their chance to be pioneering motorists and drive "the road of tomorrow."

Omero C. Catan, of Woodside, Long Island, paid the first toll to Turnpike Toll Collector Sam Kostic for his 12-mile trip from Interchange 1 in Deepwater to Interchange 2 in Swedesboro. The cost? A mere 15 cents. Mr. Catan was followed on that first day alone by an additional 4,225 vehicles, bringing the first day's toll collection total to approximately \$1,996.00.

In those early days, innovation and ingenuity helped keep the Turnpike moving and much of the initial success was due to the nine full-time toll collectors who manned the booths and went above and beyond their responsibilities to make things appear seamless. With uniforms consisting of hastily improvised apparel, including police style hats purchased at local department stores, they found themselves scurrying to local stores, churches, restaurants, theaters and banks to obtain coins and small bills as a scarcity for change existed in the toll booths.



GRAND OPENING CEREMONIES



NOVEMBER 13, 1951 - One week after the first cars took to the roads, the New Jersey Turnpike Authority celebrated the official beginning of the Turnpike era with a series of ceremonies along the new roadway.

Governor Alfred E. Driscoll, New Jersey Turnpike Authority Chairman Paul L. Troast, Commissioners Maxwell Lester and George F. Smith and Executive Director W. W. Wanamaker, along with a host of dignitaries, marked the occasion in each of the four counties traversed by the Turnpike at the time, followed by a celebratory procession along the length of the roadway.

Along the route, Governor Driscoll was joined by local officials, school bands, color guards, and enthusiastic drivers to commemorate the occasion and usher in a new era of transportation.

The bittersweet ceremonies were marked with thanks and accolades for the more than 10,000 workers whose efforts made the completion of the Turnpike possible in a remarkably short period of time. Officials also used the occasion to offer remembrances and sympathy for the six men who perished during the construction.

The remaining 65 miles of the Turnpike were opened in three segments; the first on November 30, 1951 Interchange 7 to Interchange 11 (40 miles), December 12, 1951 Interchange 11 to Interchange 14 (16 miles) and January 15, 1952 Interchange 14 to Interchange 18 (9 miles). The first motorist to travel the entire length of the Turnpike was Harry Sapowith of Wilmington, Delaware. His toll to Interchange 18 in Ridgefield Park was \$1.75.

Thanks to the efforts of thousands of workers and the vision of statewide leaders, the "Engineering Marvel" called the New Jersey Turnpike was ready to serve the state and, indeed, the nation.



SAFETY INITIATIVES

Roadway Weather Information System

*I*t's not enough to simply provide a means for motorists to get from point A to point B ~ the New Jersey Turnpike Authority is committed to ensuring that motorists arrive at their destinations safely. As a result, the 148 miles of road on the New Jersey Turnpike are fitted with state-of-the-art equipment and technologies in existence today as part of that commitment.

Among the technological safety features is the implementation of the Roadway Weather Information System or RWIS. While safety and weather warnings have always been a part of Turnpike operations, the RWIS expands that operation with strategically-placed monitoring stations along the roadway that monitor, in real-time, wind speed and direction, relative humidity, barometric pressure, precipitation, visibility, ambient and road surface temperature and salinity. This data is processed and transmitted to the Turnpike's Traffic Operations Center in East Brunswick as well as to the Turnpike Authority's eight Maintenance Districts to provide for a quick response to deteriorating weather conditions.

In conjunction with the Turnpike Authority's Variable Message Signs (VMS), Emergency Speed Warning (ESW) signs and the Highway Advisory Radio (HAR), Turnpike motorists will be alerted to roadway conditions. Other added benefits of RWIS are the reduction of overtime costs and equipment wear, minimization of de-icing materials used during snowstorms, decreasing material costs and a reduction in environmental impacts.





“Safety, Convenience and Service...”

Throughout its history, the New Jersey Turnpike Authority has set new standards in roadway safety ~ many of which have evolved into the technological marvels in place today.

In the 1950's, four “Weathermaster” fog dispersal units were erected in specifically selected locations on the northern half of the Turnpike for test purposes to determine their value in detecting and dispersing shallow “ground” fog peculiar to this area. The State Police would use flares to guide motorists through areas of low visibility.

In the 1960's, the Turnpike sought to return the roadway to “clear and black pavement” as soon as possible after snowstorms. The Maintenance Department implemented innovative equipment such as a “Snow Blower” and “Snow Melter.”

The 1970's saw the Turnpike's Traffic Engineers begin testing five different fog detectors in the fog-prone meadow area near Interchange 16W.

In 1951, the New Jersey Turnpike Authority's Annual Report stated that “Safety, Convenience and Service must be prime objectives in providing the public with superior means of transportation. The provisions for safety and convenience will not be considered finished as long as the Turnpike is in operation, and will receive continuing attention.”

Today, fifty years later, our commitment remains unchanged.



SERVICE AREA RENOVATIONS

*O*ver the years, the New Jersey Turnpike Authority has sought to partner with the leaders in the hospitality and customer service industries to ensure that motorists are provided with the best possible accommodations as they make their way along our roads.

Beginning in 1973, with Cities Service and Howard Johnson's as the original service providers at our rest stops, the New Jersey Turnpike Authority has always had its eyes "down the road" looking for vendors with something new and special to offer our motorists. That commitment continues today with our current partner HMSHost and Sunoco.

Together with HMSHost, the New Jersey Turnpike Authority has embarked on a plan to refurbish the 12 New Jersey Turnpike Service Areas.

The five newly renovated Service Areas feature modern, expanded restrooms, improved interior and exterior lighting, a new "food court" design, new fast food offerings and aesthetically pleasing architectural designs and color schemes.

The New Jersey Turnpike Authority and HMSHost are now focusing their attention on the next four Service Areas that are scheduled for renovation in the Fall of 2002. Phase Two will include the Woodrow Wilson Service Area in Hamilton Township, Walt Whitman Service Area in Cherry Hill, Grover Cleveland Service Area in Woodbridge and Alexander Hamilton Service Area in Secaucus.

These newly renovated facilities will provide New Jersey Turnpike motorists with a level of excellence and service comparable with other Turnpike operations. Phase III will commence in the fall of 2003 for the remaining Service Areas.





Howard Johnson's and Cities Service were awarded contracts to operate the Turnpike's ten Service Areas. The Service Areas were strategically located on high ground for better visibility and to aid in the deceleration and acceleration of vehicles returning to the roadway.

The Howard Johnson's snack bars and restaurants were recognized for their good food and service, making travelers' journeys more enjoyable and comfortable.

Cities Service trained one hundred fifty men to offer bumper-to-bumper service to the Turnpike motorist.

Additionally, to maintain a high level of customer service for the motorists, "Pikettes" were trained to assist motorists with travel plans, destination and general information about the newly opened Turnpike.

Did You Know!

your New Jersey Turnpike cost over \$2,000,000 a mile!

- RUNS 118 MILES with no sharp curves... no steep grades... no intersections... no traffic lights.
- BUILT BY 10,000 MEN and 700 engineers using \$45,000,000 worth of equipment.
- ROADWAY THICKNESS IS WAIST DEEP! The bituminous concrete used would equal a wall 6 feet thick, 30 feet high and 1.5 miles long.
- EARTHWORK used would fill three railroad trains reaching from New York to San Francisco.
- CROSSES 69 RIVERS and streams and 194 intersecting highways and railroads.
- STEEL USED on Turnpike would build a small fleet of naval vessels.
- IT'S THE KEY LINK in a nation-wide network of super highways—East and West... North and South.
- HAS EVERY SCIENTIFIC SAFETY PRECAUTION designed to eliminate fatigue... monetary... traffic confusion.
- REDUCES NORMAL TRAVEL TIME between New York and South by two hours.



E-ZPASS TOLL TECHNOLOGY

A recent study by Wilbur Smith Associates and Cambridge Systematics paints a positive picture of the operational and traffic benefits of E-ZPass deployment on the New Jersey Turnpike. From September 30, 2000 when E-ZPass became operational on the New Jersey Turnpike through December 31, 2001, more than 1.5 million transponders have been issued to over 857,000 motorists. For the year 2001, 123,281,107 motorists or 53.7% of the total number of Turnpike travelers used E-ZPass.

The benefits that E-ZPass has brought to the New Jersey Turnpike motorist, as well as the citizens of the State of New Jersey, has been dramatic. Long delays at toll plazas have been substantially reduced and, at several interchanges, queues have all but disappeared.

A summary of the findings concluded that the total estimated savings in delay for weekdays are about 1.8 million hours for passenger cars and 291,000 hours for trucks, for a total of approximately 2.1 million hours.

- ▷ **The estimated total annual time savings in delay for E-ZPass users is 1,344,000 hours accounting for 64% of all delay savings.**
- ▷ **Total delays at interchanges have been reduced by more than 85%.**
- ▷ **E-ZPass users cost savings related to delay savings per year are found to be approximately \$19.0 million for passenger cars and \$6.1 million for trucks for total annual savings of \$25.1 million.**
- ▷ **Total fuel consumption has been reduced by approximately 1.2 million gallons due to the reduced queuing at toll plazas.**
- ▷ **Annual fuel cost savings for passenger cars equate to approximately \$1.5 million and truck savings are about \$0.4 million for a total of almost \$1.9 million per year.**
- ▷ **The emission of VOC (volatile organic compounds) and Nox (oxides of nitrogen) pollutants were estimated to be reduced for a typical weekday by 0.35 tons per day of VOC and 0.056 tons per day of Nox. Volatile organic compounds and oxides of nitrogen are the primary contributors to the formation of ozone.**

Citizens of the State of New Jersey and users of the New Jersey Turnpike will continue to enjoy the benefits of E-ZPass with safer, more efficient travel and cleaner air due to the reduction of emitted pollutants.



FIFTY YEARS OF TOLL COLLECTION

*T*oll Collection on the New Jersey Turnpike has remained virtually unchanged in its first fifty years.

The "closed ticket system" which was in place that first morning in 1951 is still in use today and remains fully functional. By eliminating the need to stop at barriers on the road itself the "closed ticket" system allows the free flow of traffic from entrance to exit.

Over the years, the New Jersey Turnpike Authority has experimented with other toll-associated technologies to enhance travel for motorists. Among them are the Automatic Ticket Issuing Machines (ATIMs) introduced in 1964. These machines, which are still in use today, automatically dispense tickets to entry passenger vehicles and were originally dispersed amongst eight toll plazas. At one time, up to fifty ATIMs were in service on the Turnpike.



July of 1967 saw the pre-cursor to E-ZPass, designed to expedite the travel of buses to the Lincoln Tunnel. The experimental program allowed for the installation of scanning devices at Interchange 15 and Interchange 16-18. A magnetic strip was affixed to buses containing the name of the bus company, vehicle registration and a code number assigned to the account.

In May of 1975, the Turnpike initiated a "self-service credit card test" designed to allow motorists to use a credit card to pay tolls by inserting the card into a reading device at the toll booth.

Though not every attempt resulted in sweeping changes, the efforts have ensured that the New Jersey Turnpike Authority remains at the forefront in finding measures to ensure convenience for our motorists.



LODGING SIGNAGE PROGRAM

D *ECEMBER 2001 - The New Jersey Turnpike Authority's new Lodging Signage Program is introduced to provide motorists with safer, efficient and informative travel.*

The Program is offered free of charge to hotels and motels that meet specific requirements and criteria set forth by the Turnpike Authority. The only cost incurred by the facilities is for the production of their logos.

The Program's high-intensity signs have a blue background with white letters that read "LODGING" and include the respective exit ~ allowing travelers enough time and information to make decisions. Another series of signs can be found after exiting the Turnpike that will further guide the motorists to their specific destination.

Each sign contains space to post up to six facilities' logos or names. These signs are positioned along the mainline of the Turnpike from Interchange 1 to Interchange 8.

At the present time, 25 facilities are actively participating in the Program.



COURTESY PATROL EXPANDS

T *he New Jersey Turnpike Authority's Courtesy Patrol, which has been in existence since 1987, increased its hours of operation in 2001 in an effort to assist stranded motorists on the most heavily-traveled portions of the Turnpike from Interchange 8 in Hightstown, north to the George Washington Bridge. The patrol will now be available in three shifts between 4 a.m. and 8 p.m. daily.*

The Courtesy Patrol will provide, free of charge, up to two gallons of gasoline to a vehicle out of fuel and water to an overheated vehicle and supplements the New Jersey State Police in identifying motorists who are in need of assistance, assessing their needs and rendering immediate aid when appropriate.



SAVING THE DIAMONDBACK TERRAPIN

The New Jersey Turnpike Authority took a proactive approach towards assisting the Edison Wetlands Association (EWA) and the Hackensack Riverkeeper in their efforts to reduce diamondback terrapin mortality in the meadowlands in 2001.

Over 560 feet of fencing has been erected at eight locations between Milepost 109.5 and Milepost 111.5 in the vicinity of Saw Mill and Kingsland Creeks. The fencing has been strategically positioned to prevent the spawning terrapins from entering the roadway.

Diamondback terrapins naturally migrate from May through August in search of a suitable nesting area to deposit their eggs. These measures implemented by the New Jersey Turnpike Authority will ensure that the Diamondback Terrapin continues to thrive in the Meadowlands of New Jersey.



HARRY LADERMAN SCHOLARSHIP FUND



The Harry Laderman Scholarship Fund honors Toll Collector Harry Laderman who, on February 2, 1967, lost his life in the line of service when a truck struck his toll booth at the Lincoln Tunnel interchange. The scholarship, the first ever award of its kind made by a public agency in the State of New Jersey, has since assisted more than 34 recipients.

The scholarship is available to children of New Jersey Turnpike Authority employees who demonstrate exceptional scholastic ability and achievements and has a value of \$14,000.

Karen-Jo Beck, a 17 year old senior at Woodbridge Senior High School, was the first recipient of the award in 1968. She was a member of the National Honor Society and ranked 44 in a class of 720. Her father, Walter G. Beck, was a Landscaper for 20 years before retiring in 1985.

The 2001 recipient, Bridget Kinsley, is the daughter of Mary-Claire and John Kinsley of Avon-by-the-Sea, NJ. John is an eighteen-year Turnpike employee with the Maintenance Department. Bridget has selected a Pre-Veterinary course of study at Cook College in New Brunswick, and plans to attend veterinary school and open her own practice.



50TH ANNIVERSARY CAR SHOW AND PARADE



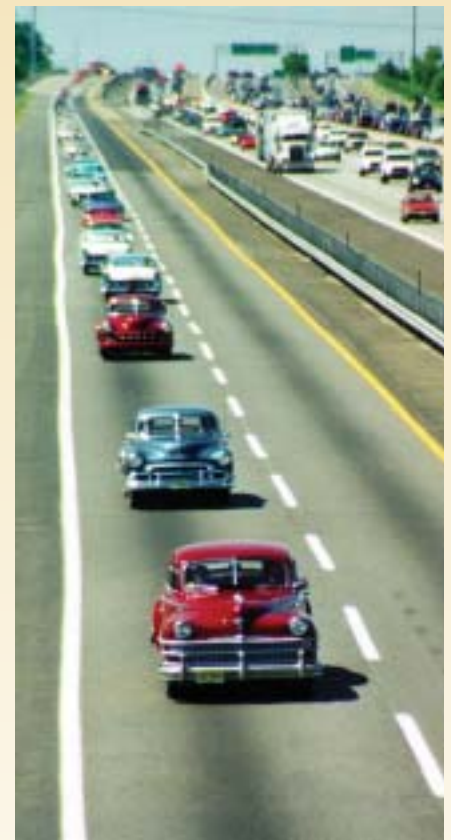
SATURDAY, JULY 14, 2001 - As part of its 50th Anniversary celebration, the New Jersey Turnpike Authority played host to an antique car show and parade to kick off the festivities.

Beginning at Interchange Plaza near Interchange 8A in Cranbury, more than seventy-five antique cars and trucks, led by two beautifully restored 1940's vintage New Jersey State Police Cruisers, headed north for the nine miles to the parking lots of the New Jersey Turnpike Authority.

Motorists along the route joined the celebrations by sounding their horns and cheering as the parade moved along its route.

At the Administration Building, hundreds of spectators awaited the vehicles as they were positioned for viewing and judging as part of the day's events.

Trophies were awarded to winners in six separate categories and commemorative gifts were presented to all of the participants who helped make the event so enjoyable and successful.





WHAT EXIT?

New Jersey & Its Turnpike

As the upcoming anniversary of the New Jersey Turnpike approached, the New Jersey Historical Society began discussions with then-Vice Chair Nancy Becker about the milestone event and plans were set in motion for an exhibition and gala.

On September 20, 2001, the New Jersey Historical Society opened a year-long exhibit **"What Exit? New Jersey and its Turnpike"** at their offices in Newark, NJ. For the exhibit, the Society actively sought objects and memories of the past from former Turnpike employees as well as from the general public. They were rewarded with extraordinary stories and memorabilia that helped create an invaluable historical record of the roadway.

A gala celebration was held in conjunction with the exhibit's grand opening and New Jersey's own actor/comedian Joe Piscopo served as the Master of Ceremonies. The black tie event began with a cocktail party served in and around the exhibit area where guests were invited to experience a sneak preview of **"What Exit?"**. After the cocktail reception, dinner was served under the stars in Military Park across the street from the Historical Society's building.

A highlight of the evening was the presentation of the first annual "Perpetual Pavement Award." The award was presented to the Turnpike by the New Jersey Asphalt Pavement Association for hot mix asphalt pavements that have lasted at least 35 years without rehabilitation other than surface treatments and whose underlying structures are still providing exceptional service to the traveling public. Then-Turnpike Chairman Frank X. McDermott accepted the award from Mike Kolos, Chairman of the Asphalt Institute, and Wayne Evans, Chairman of the National Pavement Association.

The New Jersey Historical Society accomplished their goal. The **"What Exit"** exhibit brought perspective and insight and helped enhance understanding of the role the Turnpike plays in the State's past, present and future.



THE TURNPIKE REMEMBERS

FRIDAY, NOVEMBER 2, 2001 - The New Jersey Turnpike Authority honored the memory of seven of its employees and thirteen New Jersey State Troopers who made the ultimate sacrifice in the performance of their duties.

In a somber tribute, then-Chairman Frank X. McDermott and members of the staff of the Turnpike Authority traversed the length of the roadway to pay their respects to the individuals listed below at their respective places of work.

At each of the five locations, including New Jersey State Police Troop D Headquarters, Interchange 16/18E, and three maintenance facilities, family and co-workers placed ceremonial wreaths in remembrance of the deceased individuals before being led in prayer by Chairman McDermott and Father Alex Enriquez, Assistant Chaplain for the New Jersey State Police.

New Jersey Turnpike Authority

Harry Laderman	02.02.1967
Dante Ditillio	07.18.1972
Barry Wyckoff	07.18.1972
Harry Applegate	09.18.1986
Gordon Woodward	09.18.1986
Robert Baran	06.11.1996
Dennis Rotonda	10.13.1998

New Jersey State Police

Sgt. Frank A. Trainor #682	08.03.1953
Tpr. Hillary Welenc #1190	11.20.1959
Tpr. Milan Simcak #999	06.11.1962
Tpr. Joseph P. DeFrino #1605	06.11.1962
Tpr. Arthur J. Abagnale, Jr. #1671	06.11.1962
Tpr. Anthony Lukis, Jr. #1754	05.04.1966
Tpr. Thomas W. Kavula #1809	09.19.1968
Tpr. Robert J. Merenda #2393	11.29.1971
Tpr. Werner Foerster #2608	05.02.1973
Tpr. John P. McCarthy #3265	09.25.1982
Tpr. Carlos M. Negron #3656	05.07.1984
Tpr. William L. Carroll, Jr. #3296	07.12.1984
Tpr. Marvin R. McCloud #4718	06.06.1995



50TH ANNIVERSARY CELEBRATION

The New Jersey Turnpike Authority officially celebrated its 50th Anniversary by fondly remembering its past and showcasing its future.

In a grand ceremony on November 5, 2001, then-Chairman Frank X. McDermott and New Jersey Turnpike Authority employee Richard "Dick" Walley recreated the historical first toll payment of the same day exactly 50 years ago ~ with a twist. Utilizing the modern technology of an E-ZPass lane, the pair honored the past and set in motion the next 50 years of service for the "Miracle Road".

At the Administration Building, more than 200 guests celebrated the occasion as Turnpike employees Dan McNamara and Lee Nolan, dressed in traditional pipers' kilts, entertained the celebrants with melodies on their bagpipes. New Jersey State Trooper Thomas J. Covallo performed a solo rendition of the National Anthem.

Also celebrated on that day was the long-term commitment and service of fifty year and thirty-five year Turnpike Authority employees Dick Walley and Dorothy Hall, respectively. The pair was honored by the commissioners and presented with awards befitting the occasion.

State Police Chaplain Monsignor Philip Lowery offered an appropriate conclusion to the milestone event with the assistance of Mrs. Ann M. Flanagan, wife of former Turnpike Executive Director William Flanagan, her daughter Patricia Flanagan Stefanile and all attendees in the Turnpike Memorial Garden.

There Msgr. Lowery provided an inspiring invocation paying tribute to those Turnpike employees who had lost their lives, as well as all Turnpike employees. The Flanagan family closed the ceremonies by placing a commemorative wreath in the Garden.



CHRONOLOGY

Excerpts From 1951 Annual Report

FEB.-MAR. '49	Three Commissioners for Authority appointed by Governor and confirmed by Senate as follows: Paul L. Troast, Chairman; George F. Smith, Vice-Chairman and Maxwell Lester, Jr., Treasurer & Secretary. First meeting was held on March 31 with then Commissioner and Chief Engineer of State Highway Department to discuss aims and objectives of the Authority.
APR. 14, '49	Legislation enacted for preliminary route of New Jersey Turnpike from Alpine, N.J. to Deepwater, N.J.; and for construction of "feeder roads" to facilitate access to Turnpike.
MAY 15, '49	Preliminary engineering reports begun on basis of (1) northern area; (2) southern area; (3) traffic and revenues for entire Turnpike and (4) appointment of general consultant to prepare review of studies.
SEPT. 15, '49	Preliminary engineering reports completed. Show Turnpike would be self-supporting and can be financed. General alignment suggested from State Route 6 (Ridgefield Park) to Deepwater. Estimated cost of construction \$230,000,000.
SEPT. 22, '49	Eight firms of nationally recognized consulting engineers selected (one as general consultant) to proceed with design and supervision of construction of Turnpike.
DEC. 5, '49	N.J. Supreme Court, in opinion, sustains constitutionality of Turnpike Act with reference to issuance of bonds. Holds that Authority was without power to condemn State property and that Highway Department could not advance funds to Authority.
JAN. 19, '50	Construction contract No. 1 awarded.
JAN. 31, '50	Two amendments to Turnpike Act passed by Legislature; one to provide for changes in connection with acquisition of property for right-of-way and to pay interest from bond proceeds during construction and first years of operation; and second to define northern terminus of Turnpike as Ridgefield Park (State Route 6) instead of Alpine.
FEB. 10, '50	First bridge contracts awarded - Raritan, Hackensack and Passaic Rivers.
APR. 11, '51	Contract award, based on competitive bids, to Howard D. Johnson Co. for restaurant concessions.
JUNE 25, '51	Amendments to Turnpike Act passed by Legislature to provide for extensions to Pennsylvania Turnpike and New York State Thruway, and for connection across Newark Bay to Hudson County peninsula.
JULY 12, '51	Contract award, based on competitive bids, to Cities Service Oil Co. for gasoline concessions.
OCT. 17, '51	Authority sells additional \$35,000,000 revenue bonds to banking groups to provide financing for completion of Turnpike.
OCT. 31, '51	Official preview of Turnpike for 53 miles from Deepwater to Bordentown with Governors Alfred E. Driscoll, of New Jersey, and Elbert N. Carvel, of Delaware, participating.
NOV. 5, '51	Initial 53 miles from Deepwater to Bordentown opened to traffic, three weeks in advance of scheduled completion.
NOV. 30, '51	Dedication of Turnpike held with officials and opening of additional 40 miles from Bordentown to Woodbridge.
DEC. 12, '51	Additional 16 miles of Turnpike opened to traffic from Woodbridge to Newark.
JAN. 15, '51	Dedication, and opening to traffic, of final nine miles from Newark to George Washington Bridge interchange.

50 YEARS OF OPERATION

	Revenue Vehicles	Tolls Revenue	Mileage	Concessions Revenue	Other Revenue	Total Revenue
1951	787,195	\$ 587,326	38,246,174	\$ 32,861	\$ 87	\$ 620,274
1952	17,948,235	16,241,267	765,807,780	1,523,038	65,330	17,829,635
1953	22,005,078	19,192,647	868,606,100	1,853,880	464,102	21,510,629
1954	24,555,441	20,756,344	927,393,967	1,826,777	634,641	23,217,762
1955	25,888,319	21,122,503	939,672,825	1,859,952	923,169	23,905,624
1956	31,588,224	24,513,371	1,064,377,974	2,056,530	1,197,682	27,767,583
1957	39,269,643	29,022,910	1,200,254,680	2,370,516	1,447,014	32,840,440
1958	41,615,115	30,159,491	1,232,527,909	2,400,793	1,554,434	34,114,718
1959	46,199,339	33,317,927	1,343,847,970	2,602,998	1,396,407	37,317,332
1960	49,083,017	35,583,987	1,414,759,197	2,650,147	1,274,321	39,508,455
1961	51,737,682	37,192,652	1,471,802,723	2,649,106	1,156,969	40,998,727
1962	54,900,745	39,240,487	1,560,490,809	2,660,029	1,180,789	43,081,305
1963	56,677,379	40,778,566	1,610,706,177	2,749,777	1,270,264	44,798,607
1964	60,707,631	44,148,839	1,753,074,755	3,436,989	1,446,046	49,031,874
1965	64,957,715	46,122,200	1,856,395,130	3,624,311	1,549,790	51,296,301
1966	69,850,328	48,609,809	1,944,951,873	3,752,280	1,628,281	53,990,370
1967	73,528,656	51,229,549	2,030,844,201	3,976,450	1,642,227	56,848,226
1968	78,205,075	55,339,724	2,138,002,435	4,323,562	1,653,381	61,316,667
1969	80,618,191	57,636,727	2,202,999,403	4,624,406	1,979,854	64,240,987
1970	89,655,299	63,934,463	2,382,332,241	4,959,536	1,949,358	70,843,357
1971	98,533,612	70,124,311	2,574,226,834	5,322,464	1,004,360	76,451,135
1972	107,933,291	75,939,682	2,740,521,973	5,612,148	997,242	82,549,072
1973	110,422,434	78,996,947	2,753,067,671	5,226,934	1,261,793	85,485,674
1974	106,628,059	75,243,082	2,529,483,967	4,924,039	3,062,147	83,229,268
1975	105,632,830	84,385,089	2,583,789,035	5,315,803	6,553,424	96,254,316
1976	109,233,669	91,081,922	2,671,766,280	5,176,767	4,756,959	101,015,648
1977	113,664,015	95,111,786	2,759,241,650	5,232,246	5,026,621	105,370,653
1978	120,622,761	100,837,720	2,885,020,752	5,959,715	5,757,312	112,554,747
1979	121,031,648	100,884,856	2,803,773,003	5,956,116	9,452,586	116,293,558
1980	122,587,520	118,613,863	2,850,062,160	6,013,967	6,700,771	131,328,601
1981	127,211,999	126,188,012	2,930,550,698	5,929,656	13,787,205	145,904,873
1982	132,932,001	129,922,144	3,022,902,748	5,983,228	14,257,360	150,162,732
1983	143,854,884	139,894,904	3,205,540,623	6,521,074	10,047,954	156,463,932
1984	156,029,218	151,913,410	3,442,060,842	7,301,559	12,617,054	171,832,023
1985	167,179,166	162,449,170	3,685,451,718	7,579,995	11,082,401	181,111,566
1986	178,838,750	173,546,512	3,936,120,912	8,620,488	11,138,626	193,305,626
1987	183,166,154	178,969,813	4,077,924,075	10,615,629	18,006,757	207,592,199
1988	190,740,162	185,930,888	4,286,192,726	11,842,410	28,823,443	226,596,741
1989	193,498,385	187,932,292	4,393,225,349	12,498,869	31,219,244	231,650,405
1990	197,167,048	188,730,002	4,450,386,274	12,127,783	28,862,775	229,720,560
1991	185,193,140	285,638,471	4,249,632,696	11,444,972	24,280,732	321,364,175
1992	184,385,900	312,535,187	4,283,210,259	10,848,377	20,139,673	343,523,237
1993	185,067,102	316,519,746	4,325,626,076	11,851,766	12,169,972	340,541,484
1994	188,279,922	321,791,137	4,379,833,147	12,530,375	9,353,245	343,674,757
1995	190,375,343	326,302,916	4,497,441,419	12,515,694	13,213,751	352,032,361
1996	195,830,356	336,341,828	4,606,441,175	14,128,029	19,105,703	369,575,560
1997	202,852,155	350,436,688	4,774,501,073	14,479,345	16,084,301	381,000,334
1998	209,408,270	360,831,625	4,941,083,473	15,341,100	12,825,457	388,998,182
1999	213,150,447	369,497,000	5,073,970,904	15,496,800	19,387,100	404,380,900
2000	218,280,591	392,035,258	5,259,470,494	15,311,079	28,988,397	436,334,734
2001	228,773,394	433,868,929	5,843,629,559	14,580,118	37,837,061	486,286,108

CONTRACTS AWARDED IN 2001 IN EXCESS OF \$100,000

PROFESSIONAL ENGINEERING SERVICES

OPS #	Engineer/Architect	Amount
1912	Greenman-Pedersen Inc.	\$ 2,828,400.00
1949	Edwards & Kelcey	2,655,000.00
1943	The RBA Group	2,060,000.00
1934	HNTB Corp.	850,000.00
1910	Parsons Brinckerhoff-FG, Inc.	800,000.00
1926	U.S. Water, L.L.C.	703,180.00
1909	Stone & Webster Inc.	681,000.00
1908	Edwards & Kelcey, Inc.	517,000.00
1930	Brinckerhoff Environmental Services	480,000.00
1932	Edwards & Kelcey, Inc.	480,000.00
1931	ENSR International	480,000.00
1933	PMK Group	480,000.00
1944	Greenman-Pedersen Inc.	453,000.00
1945	Gannett Fleming Inc.	439,000.00
1936	Certified Testing Laboratories	400,000.00
1935	Key-Tech	400,000.00
1917	Goodkind & O'Dea, Inc.	392,000.00
1942	Goodkind & O'Dea, Inc.	388,600.00
1922	The RBA Group	379,385.00
1906	Greenman-Pedersen Inc.	376,000.00
1929	Buchart Horn, Inc.	375,000.00
1927	Killam Associates	375,000.00
1928	The Louis Berger Group	375,000.00
1911	Wilbur Smith Associates	374,400.00
1919	Buchart-Horn	348,000.00
1918	Michael Baker Jr., Inc.	346,000.00
1907	Kupper Associates	326,000.00
1947	Greenman-Pedersen Inc.	325,000.00
1914	Fay Spofford & Thorndike, LLC	313,000.00
1883	HNTB Corp.	305,000.00
1895	HNTB Corp.	256,000.00
1951	Trauner Consulting Services, Inc.	250,000.00
1952	Urban Engineers, Inc.	250,000.00
1877	Goodkind & O'Dea, Inc.	234,000.00
1946	Edwards & Kelcey	198,000.00
1915	Kupper Associates	169,000.00
1940	Parsons Brinckerhoff-FG, Inc.	166,000.00
1902	El Taller Colaborativo P.C.	141,267.00
1903	El Taller Colaborativo P.C.	129,725.00
1913	Louis Berger Group	128,214.00
1920	Urban Engineers, Inc.	128,000.00
1897	The Louis Berger Group Inc.	105,765.00

CONSTRUCTION SERVICES

Cont. #	Contractor	Amount
R-1397	Bishop-Sanzari A Joint Venture	\$ 13,666,675.00
R-1388	Bishop-Sanzari A Joint Venture	9,553,150.00
R-1389	Schiavone Construction Co.	8,236,245.00
R-1410	Mt. Hope Rock Products, Inc.	4,142,491.75
R-1392	Ferreira Construction Co., Inc.	3,854,772.00
R-1172-1	Bishop-Sanzari A Joint Venture	3,180,600.00
R-1380	IEW Construction Group, Inc.	3,071,365.00
R-1390-1	M. J. Paquet, Inc.	2,479,790.00
R-1399	Anka Painting Company, Inc.	2,478,000.00
R-1420	Carr & Duff, Inc.	2,443,000.00
R-1373A	Diadone Electric, Inc.	1,866,000.00
R-1342	Spearin, Preston & Burrows, Inc.	1,799,680.00
R-1340	Ferreira Construction Co., Inc.	1,638,844.00
R-1372A	J. Fletcher Creamer & Son, Inc.	1,430,016.01
R-1373D	Diehl Electric, Inc.	1,399,809.00
R-1352	Ferreira Construction Co., Inc.	1,288,474.00

CONSTRUCTION SERVICES (Continued)

R-1381	J. Fletcher Creamer & Son, Inc.	1,282,412.50
R-1423	H & G Contractors, Inc.	1,252,325.00
R-1411	Crisdel Group, Inc.	1,065,807.20
R-1394	Brocon Petroleum, Inc.	991,234.00
R-1431	Carr and Duff, Inc.	961,935.00
R-1375D	Northern State Electric Co., Inc.	750,000.00
R-1318A	Daidone Electric, Inc.	672,725.00
R-1375A	Marsellis Warner Corporation	649,000.00
R-1376D	Accord Electric, Inc.	649,000.00
R-1375C	Sunnyfield Corporation	483,313.00
R-1391	Bishop-Sanzari A Joint Venture	478,500.00
R-1413	N.J. Masonry & Roofing, Inc.	434,501.00
R-1375B	Sunnyfield Corporation	433,313.00
R-1376C	Brooks Mechanical Consultants, Inc.	308,900.00
R-1376B	Brooks Mechanical Consultants, Inc.	269,300.00
R-1370	Montana Construction Corp., Inc.	218,555.00
R-1404-1	Agate Construction Co., Inc.	107,900.00

PURCHASING

P.O. #	Vendor	Amount
2172-000000	Mid Atlantic Truck	\$ 3,700,000.00
1832-000000	O'Connor Truck Sales Inc.	3,354,240.00
2749-000001	South Jersey Energy Company	1,450,000.00
1804-000000	Beyer Brothers Inc.	1,327,675.00
2174-000000	Beyer Brothers Inc.	1,225,690.00
1763-000000	Chas S. Winner Inc. Winner Ford	1,038,819.00
2567-000000	Compaq Computer Corp.	800,000.00
2723-000001	Electronic Data Magnetix	455,137.20
1673-000001	Electronic Data Magnetix	455,136.84
2042-000000	Mid Atlantic Truck	402,000.00
2431-000000	Beyer Brothers Inc.	383,890.00
2696-000001	Atlantic Salt Inc.	375,000.00
1770-000000	Pierce Equipment Co. Inc.	372,000.00
1814-000001	Transpo Industries Inc.	360,000.00
2038-000001	Building Maintenance Sys	294,012.00
2695-000001	Intl. Salt Co. LLC	265,000.00
2568-000001	Parts Distributors Inc.	250,000.00
2434-000000	Intl. Trucks of Central Jersey	234,276.00
2263-000001	Morey Larue Laundry Co.	210,000.00
1779-000001	Sil Kemp Concrete Inc.	202,800.00
2433-000000	O'Connor Truck Sales Inc.	199,380.00
2800-000000	GF Office Furniture Ltd.	178,910.07
2817-000000	Sil Kemp Concrete Inc.	171,600.00
2621-000001	Amerigas Propane	168,000.00
2772-000000	Lawson Software Co.	154,032.00
2812-000001	Staples Business	135,000.00
2757-000001	Mark IV Industries Inc.	132,190.43
2450-000000	Richard E. Pierson Const. Co. Inc.	131,600.00
2751-000001	Bentley Systems Inc.	123,500.00
2229-000000	Interstate Home Service	120,000.00
2119-000000	Altec Industries	119,830.00
2417-000001	Envirocraft Corporation	110,500.00
2565-000000	Nextgen Power Systems NJ Inc.	103,291.00
2707-000000	US Traffic Corp.	100,081.03

INSURANCE

	Premium
Prudential	\$ 361,011.25
Prudential	121,071.85
Prudential	47,472.00
Prudential	26,651.00

The background features a large, light blue watermark logo of the New Jersey Turnpike Authority. It consists of a shield with a stylized 'NJ' and the words 'NEW JERSEY TURNPIKE AUTHORITY' around it. Overlaid on the shield is a large, yellow, stylized number '50' with the words 'Years of Service' written inside it. The year '2001' is also visible in the upper part of the logo.

NEW JERSEY TURNPIKE AUTHORITY

Financial Statements and Supplementary Information

December 31, 2001 and 2000

**(With Report of
Independent Auditors' Thereon)**

REPORT OF INDEPENDENT AUDITORS

To the Commissioners
New Jersey Turnpike Authority

We have audited the accompanying statements of assets, liabilities and fund balances of the New Jersey Turnpike Authority (the "Authority"), a component unit of the State of New Jersey, as of December 31, 2001, and the related statements of revenues and expenses, changes in fund balances and cost of investment in facilities for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 2, the accompanying financial statements were prepared on the modified cash basis of accounting to comply with the provisions of the Authority's 1991 Turnpike Revenue Bond Resolution as amended, restated and supplemented and on the Authority's interpretation of such resolution, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances of the Authority as of December 31, 2001, and its revenues and expenses, and changes in its fund balances, and the cost of investment in facilities for the year then ended, on the basis of accounting described in Note 2.

Our audit was made for the purpose of forming an opinion on the aforementioned financial statements taken as a whole. The supplementary information included in Schedules 1 through 4, is presented for purposes of additional analysis and is not a required part of the aforementioned financial statements. Such information, except for that portion marked "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the aforementioned financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the aforementioned financial statements taken as a whole.

Ernst + Young LLP

February 8, 2002

STATEMENT OF REVENUES AND EXPENSES

YEARS ENDED DECEMBER 31, 2001 & 2000

	Year ended December 31	
	2001	2000
Revenues:		
Toll revenue	\$433,868,929	\$392,035,258
Income from investments	11,133,850	11,491,645
Concession revenue	14,580,118	15,311,079
Miscellaneous revenue	3,920,588	1,568,542
ETC Project – System Proceeds	22,782,623	15,928,210
Total revenues	486,286,108	436,334,734
Operating expenses:		
Executive office	1,511,369	1,404,937
Public affairs	423,962	383,909
Law	696,432	896,028
Finance and budgets	2,650,886	2,644,442
Human resources	1,784,828	1,835,064
Technology and administrative services	7,511,536	6,548,952
Operations	2,781,030	2,677,572
State police	20,380,426	20,029,524
Toll collection	48,548,749	57,673,336
Maintenance	37,679,969	34,333,733
Engineering	1,906,851	1,532,955
Non-departmental	7,684,805	7,010,331
Employee benefits	30,842,974	27,420,986
Snow	3,805,660	2,393,565
Cash discounts	–	(109)
Total operating expenses before payment to ETC - Project Fund	168,209,477	166,785,225
ETC - Project Fund payment	8,666,752	6,211,725
Total operating expenses	176,876,229	172,996,950
Total revenues in excess of operating expenses before net debt service	309,409,879	263,337,784
Debt service:		
Interest expense, Turnpike Revenue Bonds	190,134,622	169,623,447
Transfer to Debt Service Fund	46,145,000	34,315,000
Transfer to Charges Fund	2,128,000	1,458,556
Total debt service	238,407,622	205,397,003
Less interest earnings supplied from Construction Fund	(14,040,000)	(8,400,000)
Less capitalized interest	(57,403,250)	(40,323,619)
Net debt service	166,964,372	156,673,384
Total revenues in excess of operating expenses and net debt service	142,445,507	106,664,400
Interfund transfers:		
To Maintenance Reserve Fund	(26,300,000)	(25,660,000)
To Special Project Reserve Fund	(18,000,000)	(19,999,290)
To ETC - Special Project Fund payment	(14,115,871)	(9,716,485)
To General Reserve Fund	(62,029,636)	(39,288,625)
To General Reserve Fund for Payment to the Transportation Trust Fund	(22,000,000)	(12,000,000)
Total revenues in excess of operating expenses, net debt service and interfund transfers	\$ –	\$ –

See accompanying notes to financial statements.

STATEMENTS OF ASSETS, LIABILITIES & FUND BALANCES

DECEMBER 31, 2001

(WITH COMPARATIVE TOTAL FIGURES FOR 2000)

	Funds Held by Authority			
	Revenue Fund	Construction Fund	Maintenance Reserve Fund	Special Project Reserve Fund
Assets				
Cash	\$ 28,882,128	5,860,245	270,148	1,791,449
Investments	64,055,243	972,767,641	7,500,000	37,583,723
Receivables	8,752,737	125,046	—	83,236
Interfund accounts, net	(49,457,367)	(14,930,403)	(4,399,476)	(2,904,949)
Deposits	—	1,276,613	—	—
Cost of investment in facilities	—	3,490,697,032	—	—
Total assets	52,232,741	4,455,796,174	3,370,672	36,553,459
Liabilities and fund balances				
Liabilities:				
Accrued interest payable	—	—	—	—
Withholdings from employees	457,491	—	—	—
Amounts retained from contractors and engineers	—	4,785,432	2,142,983	1,086,699
Other liabilities	12,688,550	1,137,427	75,480	4,734,928
Bond indebtedness:				
Turnpike Revenue Bonds, Series 1991 A	—	149,560,000	—	—
Turnpike Revenue Bonds, Series 1991 C	—	852,220,000	—	—
Turnpike Revenue Bonds, Series 1991 D	—	371,000,000	—	—
Turnpike Revenue Bonds, Series 1992 A	—	114,625,000	—	—
Turnpike Revenue Bonds, Series 1992 B	—	43,787,142	—	—
Turnpike Revenue Bonds, Series 2000 A	—	1,467,375,000	—	—
Turnpike Revenue Bonds, Series 2000 B-G	—	400,000,000	—	—
Total liabilities	13,146,041	3,404,490,001	2,218,463	5,821,627
Fund balances	39,086,700	1,051,306,173	1,152,209	30,731,832
Commitments and contingent liabilities				
Total liabilities and fund balances	\$52,232,741	4,455,796,174	3,370,672	36,553,459

See accompanying notes to financial statements.

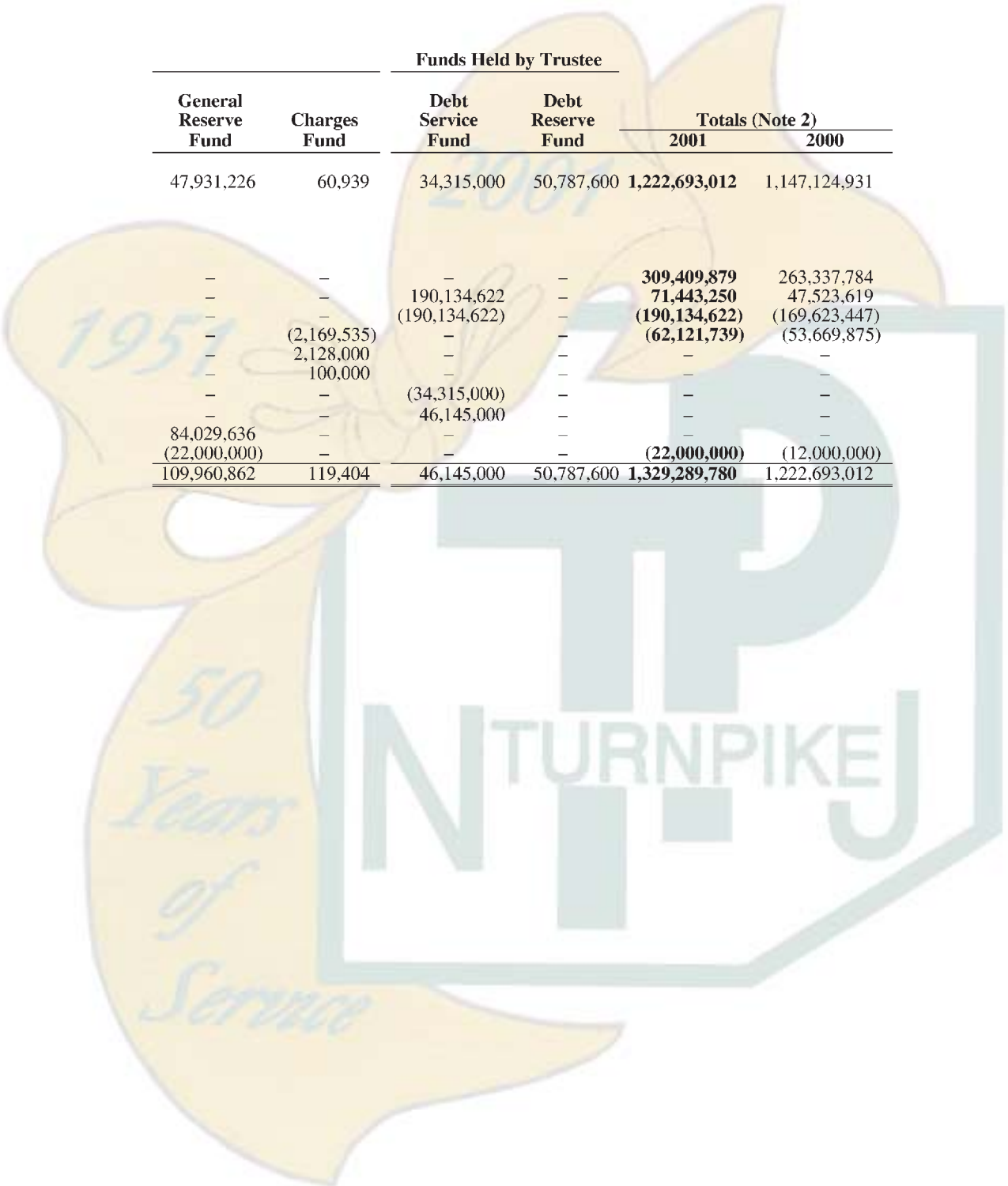
		Funds Held by Trustees			
General Reserve Fund	Charges Fund	Debt Service Fund	Debt Reserve Fund	Totals (Note 2)	
				2001	2000
69,904	2,422	8,353	—	36,884,649	21,404,404
35,044,516	116,982	129,833,374	50,787,600	1,297,689,079	1,318,431,758
—	—	—	—	8,961,019	19,804,566
74,846,442	—	(3,154,247)	—	—	—
—	—	—	—	1,276,613	1,303,652
—	—	—	—	3,490,697,032	3,392,346,801
109,960,862	119,404	126,687,480	50,787,600	4,835,508,392	4,753,291,181
—	—	80,542,480	—	80,542,480	85,744,438
—	—	—	—	457,491	492,713
—	—	—	—	8,015,114	5,308,844
—	—	—	—	18,636,385	8,897,950
—	—	—	—	149,560,000	178,475,000
—	—	—	—	852,220,000	852,220,000
—	—	—	—	371,000,000	371,000,000
—	—	—	—	114,625,000	114,625,000
—	—	—	—	43,787,142	46,459,224
—	—	—	—	1,467,375,000	1,467,375,000
—	—	—	—	400,000,000	400,000,000
—	—	80,542,480	—	3,506,218,612	3,530,598,169
109,960,862	119,404	46,145,000	50,787,600	1,329,289,780	1,222,693,012
—	—	—	—	—	—
109,960,862	119,404	126,687,480	50,787,600	4,835,508,392	4,753,291,181

STATEMENTS OF CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2001 & 2000

	Funds Held by Authority			
	Revenue Fund	Construction Fund	Maintenance Reserve Fund	Special Project Reserve Fund
Balance as of beginning of year	\$39,086,700	1,017,091,173	1,006,153	32,414,221
Add (deduct):				
Revenues and interfund transfer from General Reserve Fund in excess of operating expenses before net debt service	309,409,879	—	—	—
Transfers to fund bond interest expense	(118,691,372)	—	—	—
Bond interest expense	—	—	—	—
Payment of other charges	—	—	(26,153,944)	(33,798,260)
Revenue fund transfers	(60,543,871)	—	26,300,000	32,115,871
Other fund transfers	—	(100,000)	—	—
Sinking fund payment	—	34,315,000	—	—
Sinking fund transfers	(46,145,000)	—	—	—
Surplus transfer	(84,029,636)	—	—	—
Required payment to the State of New Jersey	—	—	—	—
Balance as of end of year	\$39,086,700	1,051,306,173	1,152,209	30,731,832

See accompanying notes to financial statements.



General Reserve Fund	Charges Fund	Funds Held by Trustee		Totals (Note 2)	
		Debt Service Fund	Debt Reserve Fund	2001	2000
47,931,226	60,939	34,315,000	50,787,600	1,222,693,012	1,147,124,931
—	—	—	—	309,409,879	263,337,784
—	—	190,134,622	—	71,443,250	47,523,619
—	—	(190,134,622)	—	(190,134,622)	(169,623,447)
—	(2,169,535)	—	—	(62,121,739)	(53,669,875)
—	2,128,000	—	—	—	—
—	100,000	—	—	—	—
—	—	(34,315,000)	—	—	—
—	—	46,145,000	—	—	—
84,029,636	—	—	—	—	—
(22,000,000)	—	—	—	(22,000,000)	(12,000,000)
<u>109,960,862</u>	<u>119,404</u>	<u>46,145,000</u>	<u>50,787,600</u>	<u>1,329,289,780</u>	<u>1,222,693,012</u>

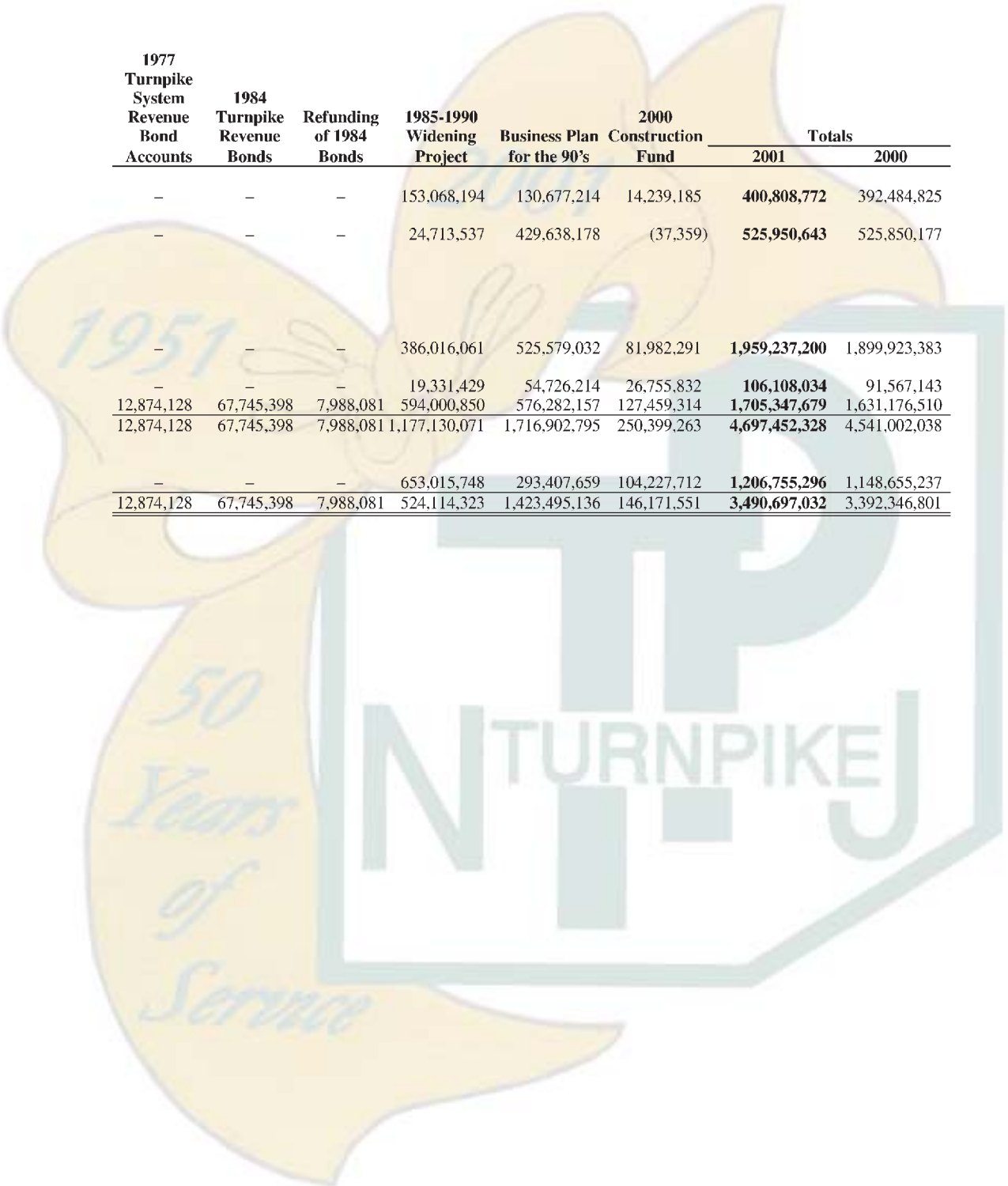
STATEMENTS OF COST OF INVESTMENTS IN FACILITIES

YEAR ENDED DECEMBER 31, 2001

(WITH COMPARATIVE TOTAL FIGURES FOR 2000)

	Original Turnpike Extensions and Additional Lanes	Revenues Invested in Facilities	1966 Turnpike Improvement	1971 Turnpike Improvement	1973 Improvement and Funding Program
Engineering and architectural	\$ 28,083,278	12,125,827	32,051,535	11,566,356	18,997,183
Land, easements and rights-of- way, net of recoveries	25,771,162	6,073,263	28,704,263	4,074,507	7,013,092
Construction, including cost of training and equipping operating personnel, machinery and equipment and miscellaneous pre-operating expenses	371,398,653	69,099,391	390,553,355	103,797,024	30,811,393
Other costs, including administration	1,869,762	164,427	2,770,920	181,599	307,851
Financial	27,036,418	165,271	245,668,754	22,512,061	23,615,247
	<u>454,159,273</u>	<u>87,628,179</u>	<u>699,748,827</u>	<u>142,131,547</u>	<u>80,744,766</u>
Less income from interim investment of construction funds	7,763,714	3,929	82,042,352	19,485,504	46,808,678
	<u>\$446,395,559</u>	<u>87,624,250</u>	<u>617,706,475</u>	<u>122,646,043</u>	<u>33,936,088</u>

See accompanying notes to financial statements.



1977 Turnpike System Revenue Bond Accounts	1984 Turnpike Revenue Bonds	Refunding of 1984 Bonds	1985-1990 Widening Project	Business Plan for the 90's	2000 Construction Fund	Totals	
						2001	2000
-	-	-	153,068,194	130,677,214	14,239,185	400,808,772	392,484,825
-	-	-	24,713,537	429,638,178	(37,359)	525,950,643	525,850,177
-	-	-	386,016,061	525,579,032	81,982,291	1,959,237,200	1,899,923,383
-	-	-	19,331,429	54,726,214	26,755,832	106,108,034	91,567,143
12,874,128	67,745,398	7,988,081	594,000,850	576,282,157	127,459,314	1,705,347,679	1,631,176,510
12,874,128	67,745,398	7,988,081	1,177,130,071	1,716,902,795	250,399,263	4,697,452,328	4,541,002,038
-	-	-	653,015,748	293,407,659	104,227,712	1,206,755,296	1,148,655,237
12,874,128	67,745,398	7,988,081	524,114,323	1,423,495,136	146,171,551	3,490,697,032	3,392,346,801

NOTES TO FINANCIAL STATEMENT

DECEMBER 31, 2001

(1) Organization and Function of the New Jersey Turnpike Authority

The New Jersey Turnpike Authority (the Authority) is a body corporate and politic created by the New Jersey Turnpike Authority Act of 1948, as amended and supplemented (the Act). The Act authorizes the Authority to construct, maintain, repair and operate the New Jersey Turnpike (the Turnpike System) projects at locations established by law and to issue Turnpike revenue bonds or notes of the Authority, subject to prior approval in writing from the Governor and from either the State Treasurer or the Director of the Division of Budget and Accounting of the Department of the Treasury, payable solely from tolls and other revenues of the Authority. Under the provisions of the Act, the Turnpike bonds or notes and the interest thereon shall not be deemed to constitute a debt or liability or a pledge of the faith and credit of the State or any political subdivision thereof.

The Authority is a component unit of the State of New Jersey and its financial statements are included in the State of New Jersey's Comprehensive Annual Financial Report.

All revenues of the Turnpike System are required to be deposited by the Authority in the Revenue Fund, to be applied in accordance with the provisions of the Turnpike Revenue Bond Resolution, adopted August 20, 1991, as amended, restated and supplemented (the Bond Resolution).

(2) Summary of Significant Accounting Policies

Nature of Funds

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. Resources are allocated to and accounted for in the individual funds based upon the provisions of the Bond Resolution. The various funds are as follows:

- **Revenue Fund** ~ This fund is the general operating fund of the Authority. It is used to account for all of the operating revenues and expenses.
- **Construction Fund** ~ This fund is used to account for financial resources to be used for cost of investment in facilities. Included in this fund are primarily the proceeds from the issuance of Turnpike Revenue Bonds in 2000 (see Note 5), and unexpended moneys related to projects authorized by previous bond issues.
- **Maintenance Reserve Fund** ~ amounts in this fund may be applied to the cost of major resurfacing, replacement, repairs, renewals or reconstruction of the Turnpike System.
- **Special Project Reserve Fund** ~ amounts in this fund may be applied to the cost of one or more special projects or additional projects. On an annual basis, the Special Project Reserve Fund is replenished up to the amount of the Special Project Reserve Requirement of \$50,000,000. The required funding is determined by projecting the ending fund balance and comparing it to the Special Project Reserve Requirement. The difference is funded in 12 equal installments over the next fiscal year.
- **General Reserve Fund** ~ amounts in this fund are to be used to make required state payments and make up deficiencies in the Revenue Fund, the Debt Service Fund, the Debt Reserve Fund, the Charges Fund, the Maintenance Reserve Fund, and the Special Project Reserve Fund. Subject to certain terms, amounts in this fund which are not required to remedy any such deficiency may be applied to (a) the purchase or redemption of any bonds and expenses in connection therewith; (b) payment of principal and interest due upon redemption of variable rate debt, commercial paper and subordinated indebtedness, if any; (c) payments into the Construction Fund; (d) improvements, extensions, betterments, renewals and replacements of the Turnpike System or the provisions of reserves for these purposes; (e) payments into the Revenue Fund; and (f) any other corporate purpose.

- **Charges Fund** ~ this fund is used to pay (a) fees and charges paid to a financial institution under a letter of credit and related reimbursement agreement, line of credit, standby bond purchase agreement or similar agreement; (b) fees and charges paid to the remarketing agent; (c) fees and charges paid to the tender agent; and (d) fees and charges paid to the broker/dealer but only to the extent that the Authority determines the foregoing amounts shall not be paid as operating expenses.
- **Debt Service Fund** ~ this fund accumulates the amounts required for (a) payment of interest and maturing principal amounts on all outstanding Turnpike revenue bonds when due; (b) payment of the redemption price and accrued interest on the bonds to be redeemed; and (c) payment of the purchase price of bonds purchased through application of moneys accumulated in this fund by reason of the payment of any sinking fund installment.
- **Debt Reserve Fund** ~ amounts in this fund are to be applied to make up any deficiency in the Debt Service Fund. The Bond Resolution provides that as a condition to the issuance of each series of bonds there shall be deposited in the Debt Reserve Fund the amount, if any, necessary so that the amount in such fund equals the Debt Reserve Requirement calculated immediately after the issuance of such series of bonds. The Debt Reserve Requirement is equal to the greatest amount of interest accruing on the outstanding bond indebtedness in any one year, subject to certain provisions set forth in the Bond Resolution (see Note 5).

Whenever the moneys and investment securities on deposit in the Debt Reserve Fund, together with the amount in the Debt Service Fund, are sufficient to pay in full all outstanding bonds in accordance with their terms, the funds on deposit in the Debt Reserve Fund are to be transferred to the Debt Service Fund.

The Authority may deposit a surety bond, insurance policy or letter of credit payable to the Trustees of the bonds in an amount equal to the difference between the Debt Reserve Requirement and amounts deposited in the Debt Reserve Fund, subject to conditions provided for in the Bond Resolution (see Note 5).

Basis of Presentation

Accounts of the Authority are maintained in accordance with the practices set forth herein, which are based on the provisions of the Bond Resolution and on the Authority's interpretation of the Bond Resolution. The significant practices, the first two of which differ in material respects from accounting principles generally accepted in the United States, are as follows:

- Depreciation of the Turnpike System and related facilities is not included as an operating expense or otherwise provided.
- Transfers from the Construction Fund and Debt Reserve Fund to the Revenue Fund and from the Revenue Fund to the Special Project Reserve Fund and Maintenance Reserve Fund, are presented in the statement of revenues and expenses.
- Cost of investment in facilities are generally recorded when paid except for amounts payable to contractors and engineers that are withheld (as retainage), which are recorded when incurred. Income on unexpended construction funds is credited to cost of investment in facilities when received.
- Cost of investment in facilities also include expenses in connection with the offering, selling, and issuance of bonds and notes; discount on the sale of bonds and notes; costs of issuing and refunding bonds; costs of certain real estate in excess of right-of-way requirements which may be sold and the proceeds applied in reduction of construction costs; certain interest on bonds and notes (less income received on unexpended construction funds); and administrative, legal and certain insurance expenses incurred during the construction period.

- Income on investments and from concessions is recorded when received. Investments are stated at cost.
- Other income and receipts, from whatever source derived, are recorded as revenue when received.
- Operating expenses are recorded when paid except for reserves for general liability insurance claims for which the Authority is self-insured, unemployment insurance premiums withheld from employees, and certain other reasonable and necessary operating expenses which do not recur annually.
- Costs for major repairs, replacements or maintenance items of a type not recurring annually or at shorter intervals and costs for major resurfacing, replacement, repairs, renewals or reconstruction of the Turnpike System are recorded when paid except for amounts payable to contractors and engineers that are withheld (as retainage). Such costs are included in other charges in the accompanying statement of changes in fund balances.

"Total" columns contain the totals of the similar accounts of the various funds. Because the assets of the funds are restricted, the combination of the accounts, including the assets therein, is for comparison only and does not indicate that the combined assets are available in any manner other than that provided for in the Bond Resolution.

(3) Investments

As of December 31, 2001, investments consist of the following:

Repurchase agreements	\$ 949,703,651
Commercial paper	42,044,998
U.S. Treasury backed federal agency discount notes	<u>305,940,430</u>
	\$1,297,689,079
	=====

As of December 31, 2001, all of the commercial paper investments are rated at least A1, P1 and mature within a period of sixty days. As of December 31, 2001, all of the repurchase agreements are rated at least AA, bear variable interest rates and mature periodically from January 3, 2002 through June 1, 2005.

(4) Other Liabilities - Revenue Fund

Other liabilities at December 31, 2001 includes approximately \$3.0 million to satisfy general liability insurance claims for which the Authority is self-insured, approximately \$4.0 million designated to satisfy unemployment insurance claims, \$3.0 million designated as a reserve for the Authority's share of a potential ETC Project deficiency in 2002, and approximately \$2.7 million designated for other obligations of the Authority all in the Revenue Fund.

(5) Bond Indebtedness

On April 26, 2000, the Authority issued Series 2000 A and Series 2000 B-G bonds, dated April 1, 2000, in the amounts of \$1,465,375,000 and \$400,000,000, respectively. The proceeds derived from the sale of the Series 2000 were applied to (i) refunding approximately \$868 million of outstanding bonds, (ii) providing funds for the payment of the costs of the projects for the Turnpike System including projects comprising the Authority's 5 year

capital program (2000-2005), (iii) providing for capitalized interest on a portion of the Series 2000 Bonds during the construction period, (iv) providing for the required deposit into the Debt Reserve Fund and (v) paying the cost of the issuance of the Series 2000 bonds.

As indicated above, a portion of the proceeds of the Series 2000 A Bonds were used to partially refund the Authority's outstanding bonds in order to obtain future interest savings. The Authority refunded outstanding bonds in the following amounts:

Series 1991 A	\$ 89,180,000
Series 1991 C	377,125,000
Series 1992 A	<u>401,455,000</u>
	\$867,760,000
	=====

Under the Authority's Plan of Finance, Turnpike Revenue Bonds in an aggregate principal amount totaling approximately \$2.9 billion were issued in 1991 and 1992. This resulted in the refunding or defeasance of all outstanding Turnpike Revenue Bonds, Series 1984 and 1985, and the funding of capital projects contained in the Plan of Finance for the 90's.

As of December 31, 2001, bond indebtedness consists of the following:

Turnpike Revenue Bonds:

Series 1991 A, due January 1, 1994 to 2003 and January 1, 2008 with interest at 5.25% to 6.75%	\$ 149,560,000
Series 1991 C, due January 1, 1994 to 2009 and January 1, 2016 with interest at 4.80% to 6.50%	852,220,000
Series 1991 D, due January 1, 2018, with interest at 6.19% under an interest rate swap agreement (see below)	371,000,000
Series 1992 A, due January 1, 1996 to 2004, with interest at 4.80% to 5.90%	114,625,000
Series 1992 B, due January 1, 2000 to 2012, with yields to maturity at 6.10% to 6.70% (see below)	43,787,142
Series 2000 A, due January 1, 2030 with interest rates at 4.80% to 6%	1,467,375,000
Series 2000 B-G (auction rate bonds), due January 1, 2023 with interest rates at variable rates not to exceed 10%	<u>400,000,000</u>
	\$3,398,567,142
	=====

For the Series 1991 C bonds maturing in 2007, the Series 1991 D bonds maturing in 2018, the Series 1992 B bonds, the Series 2000 A and the Series 2000 B-G, principal and interest payments are insured on the stated maturity and interest payment dates through municipal bond insurance other than the Series 2000 A maturing in 2027.

Interest on all outstanding bond indebtedness, except for capital appreciation bonds and auction rate bonds (see below) is payable semiannually on each January 1 and July 1. Unless converted to a fixed interest rate, the Series 1991 D bonds pay interest to bondholders at a variable weekly interest rate (the average rate for 2001 was 2.3%) subject to a maximum rate of 12%. Regardless of whether the Series 1991 D bondholders are paid a variable rate or a fixed rate, under an interest rate swap agreement with a financial institution, the Authority will pay interest at a fixed rate of 6.19% for the entire term of the Series 1991 D bonds.

The Series 1992 B bonds, which are capital appreciation bonds, were originally issued in the amount of \$30,016,972 and are reported at their accreted value of \$43,787,142 as of December 31, 2001, and mature annually from January 1, 2000 through January 1, 2012 at accreted values aggregating \$70,200,159.

Series 1991 A, Series 1991 C and Series 1992 A bonds in the principal amount of \$720,005,000 are subject to mandatory redemption prior to maturity in specified principal amounts and such bonds in the principal amount of \$375,965,000 are subject to optional redemption prior to maturity at varying redemption prices. The Series 1992 B bonds are not subject to mandatory or optional redemption prior to maturity. If converted to a fixed interest rate, the Series 1991 D bonds are subject to mandatory redemption prior to maturity in specified principal amounts. The Series 1991 D bonds are also subject to optional redemption prior to maturity.

The Series 2000 A bonds maturing after January 1, 2014 are subject to redemption prior to maturity on or after January 1, 2010 at the option of the Authority in whole or in part at any time and from time to time. The redemption price is 100%, plus accrued interest.

The Series 2000 B-G bonds were issued as auction rate with interest rates not to exceed 10% (the average rate for 2001 was 2.3%). The auction date for the Series B, C, E, and F bonds generally occurs every seven days. The auction date for Series D and G bonds was generally every thirty-five days until they were converted to seven day variable rate bonds on July 26, 2001. Interest on the auction rate bonds will accrue for each auction interest period and will be payable in arrears on each succeeding interest payment date. An interest auction period begins on, and includes, an interest payment date and ends on (but excludes) the next succeeding interest payment date. The final interest payment date on the Series B-G Bonds will be January 1, 2030. These auction rate bonds of each Series are subject to redemption prior to maturity at the option of the Authority in whole or in part at a redemption price of 100%, plus accrued interest.

All bonds outstanding under the Bond Resolution, together with amounts owed under the interest rate swap agreement, are secured on a parity by a pledge of Net Revenues of the Authority senior in priority to any other Authority obligations secured by such net revenues. The off balance sheet risk associated with this interest rate swap agreement between the Authority and AIG Financial Products Corp., which is not reflected in the accompanying statement of assets, liabilities and fund balances as of December 31, 2001, is a termination payment. This payment, which under certain circumstances could be a substantial amount, would be required to be made by the Authority, if the Authority opted to cancel this agreement. However, the Authority does not intend to terminate this agreement at this time.

In accordance with the Bond Resolution, the Authority, to meet the Debt Reserve Requirement (see Note 2), may maintain a surety bond or insurance policy payable to the Trustee in lieu of the required deposits in the Debt Reserve Fund. As of December 31, 2001, the Authority maintained insurance policies with a face amount of \$97,760,585 and a surety bond with a payment limit of \$72,809,446 and maintained a debt reserve deposit balance of \$50,787,600.

The following table sets forth as of December 31, 2001 payments of principal (through sinking fund installments) and interest to be made to the Debt Service Fund on all outstanding bonds of the Authority for the next five years and thereafter:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$81,351,600	\$197,980,200	\$279,331,800
2003	102,460,100	193,087,400	295,547,500
2004	70,402,500	189,578,300	259,980,800
2005	74,324,800	186,345,600	260,670,400
2006	118,046,600	180,413,200	298,459,800
2007-2011	782,443,300	786,918,200	1,569,361,500
2012-2016	1,060,213,100	503,208,500	1,563,421,600
2017-2021	483,185,000	216,053,700	699,238,700
2022-2026	348,540,000	123,835,100	472,375,100
2027-2029	<u>257,260,000</u>	<u>27,535,210</u>	<u>284,795,210</u>
	\$3,378,227,000	\$2,604,955,410	\$5,983,182,410
	=====	=====	=====

The Authority has covenanted that it will charge and collect such tolls and other charges as shall be required in order that in each calendar year net revenues (as defined) shall at least equal the greater of (1) the sum of the aggregate annual debt service on all outstanding bonds, maintenance reserve payments, and special project reserve payments and payments, if any, to the charges fund for each calendar year; or (2) 1.20 times the sum of the aggregate annual debt service on all outstanding bonds, for each calendar year. Net revenues were sufficient to satisfy the most restrictive toll covenant requirements for 2001.

For the year ended December 31, 2001, interest expense was comprised of the following:

Turnpike Revenue Bonds, Series 1991 A	\$ 9,905,855
Turnpike Revenue Bonds, Series 1991 C	47,714,300
Turnpike Revenue Bonds, Series 1991 D	22,964,900
Turnpike Revenue Bonds, Series 1992 A	392,875
Turnpike Revenue Bonds, Series 2000 A-G	<u>109,156,692</u>
	\$190,134,622
	=====

(6) Pension and Deferred Compensation

Employees of the Authority are covered by the Public Employees Retirement System (PERS) of the State of New Jersey, a cost-sharing multi-employer deferred benefit pension plan. The Authority has not been required to make pension plan contributions in 2001 and 2000. Authority employees are also covered by the Federal Social Security Act.

In 1980, the Authority established the Employees Deferred Compensation Plan. All permanent employees are eligible to participate in the plan, which permits participants to defer annually a portion of their salary. The Authority does not make any contributions to the plan.

(7) Commitments

Under the terms of an agreement dated April 27, 1984 and amendments dated August 1, 1995 and March 27, 2000 the Authority agreed to make annual payments to the State of New Jersey to assist in transportation projects. These payments were \$12,000,000 through 2000 and increased to \$22 million beginning in 2001, and are due until all obligations of the New Jersey Transportation Trust Fund Authority as set forth in the 2001 Amendment are paid or such payment has been provided for. The payments are made from the General Reserve Fund and are subordinate to debt service payments under all outstanding bonds.

The Authority is committed under contracts related to the Construction Fund. The contracts are primarily construction contracts and the open commitments totaled approximately \$68,859,000 as of December 31, 2001, all of which are fully funded.

(8) Electronic Toll Collection Project

The Authority is the lead agency of an electronic toll collection consortium consisting of the Authority, the New Jersey Highway Authority, the State of Delaware, acting by and through its Department of Transportation, The Port Authority of New York and New Jersey and the South Jersey Transportation Authority (collectively, the "Consortium"). The Consortium members are part of a larger regional group, named the Inter Agency Group, whose function, amongst others, is to allow all its members to interchangeably use their electronic toll collection technology. This means that a Consortium customer may use the ETC facilities at the New York State Thruway, the MTA Bridges and Tunnels, and The Delaware River Port Authority, as well as others. Inter Agency Group members have created a Reciprocity Agreement among its members, whereby valid transponder numbers of customers of other members are exchanged, and accounts are cross-debited as appropriate, in a similar fashion to the way credit card customers have their accounts processed through clearing houses.

The Consortium awarded a contract (the "ETC Contract") to MFS Network Technologies, Inc. ("MFS"), now known as Adesta Communications, on March 10, 1998 for the design, installation and implementation of an electronic toll collection system, the design, installation, marketing, operation and maintenance of a fiber optic system and the design, installation, implementation, maintenance and operation of a customer service center and violations processing center (the "Project"). Financing for the construction costs and initial operating costs of the ETC Project was provided through the issuance by the New Jersey Economic Development Authority (the "NJEDA") of its \$300,000,000 Economic Development Transportation Bonds (Electronic Toll Collection Project) Series 1998 (the "ETC Bonds") due March 7, 2008. The costs and expenses of the ETC Project, including debt service on the ETC Bonds, are to be paid from administrative fees resulting from toll violations and rents from the leasing of excess fiber optic capacity ("ETC System Proceeds") and certain other amounts, including investment earnings on prepayments by certain users of the electronic toll collection system, and, in the event ETC System Proceeds and other amounts are inadequate to pay all costs and expenses, then from pro rata contributions by the Consortium members. ETC System Proceeds constitute Pledged Revenues under the Bond Resolution and are subject to the lien and pledge of the Bond Resolution.

Pursuant to the ETC Contract, the Authority is required to make monthly payments ("Monthly Payments") to the ETC Trustee in an amount equal to the ETC System Proceeds received by the Authority for the immediately preceding month. The ETC Contract provides that a percentage of each Monthly Payment will constitute Operating Expenses of the Authority and the remaining amount of the Monthly Payment will be payable from the Special Project Reserve Fund.

During the year ended December 31, 2001, Monthly Payments in the amount of \$22,782,623 were made by the Authority to the ETC Trustee, of which \$8,666,752 has been recorded as operating expenses. The remaining amount of \$14,115,871 has been recorded as a Special Project Reserve Fund Payment.

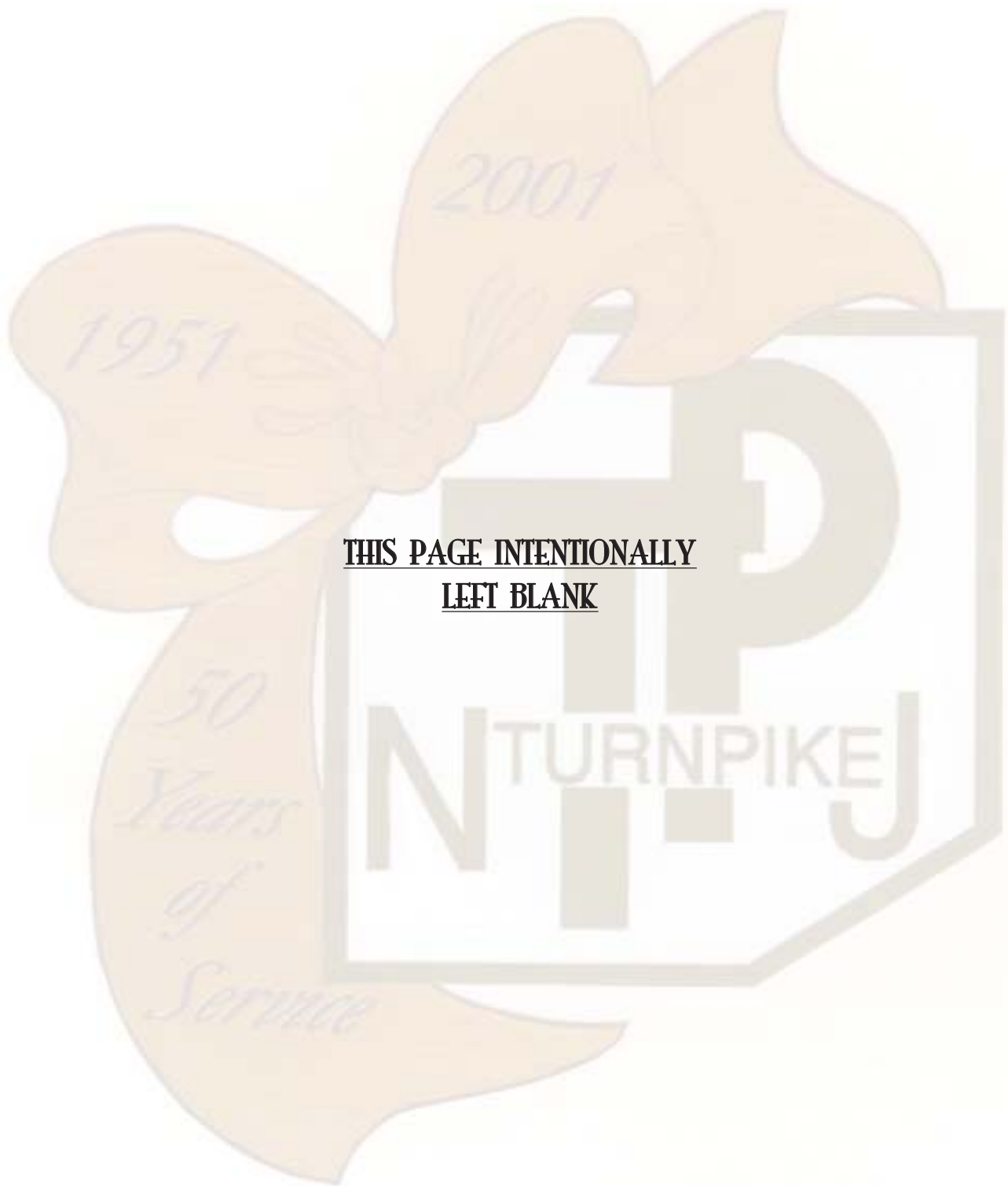
Contemporaneously with the execution of the ETC Contract and the issuance of the ETC Bonds, the Authority and the other Consortium members executed a True-Up Agreement, also dated March 10, 1998 (the "True-Up Agreement"). Pursuant to the terms of the True-Up Agreement, the Authority's initial pro rata share of potential liability is 48% of the total excess, if any, of the costs and expenses of the ETC Project (including debt service on the ETC Bonds) over the ETC System Proceeds, the proceeds of the ETC Bonds and certain other amounts. The Authority's obligation, if any, to pay its pro rata share is independent of the obligation of any other Consortium member.

On November 30, 2001, the Consortium released a revised forecast of anticipated revenues and expenses (the "Revised Model"). The Revised Model projects a deficiency on March 7, 2008 of \$161,731,000, of which the Authority's share (48%) amounts to \$77,631,000. In order to provide for the Authority's share of the deficiency, the Authority appropriated \$4,500,000 in its 2001 Annual Budget. The 2001 appropriation represented one-seventh of the Authority's potential liability based on the November 30, 2000 calculation. The additional requirement of \$17,600,000 will be funded in 2002 as a special project reserve payment in the Authority's 2002 Annual Budget in order to increase the reserve to two-sevenths of its potential liability (\$22,100,000). On or about November 30th of each year, a revised model will be released and the Authority will adjust its reserves through the succeeding years budget accordingly.

(9) Litigation

As of December 31, 2001, various actions have been filed against the Authority by individuals alleging discriminatory actions by New Jersey State Troopers on duty on the New Jersey Turnpike. The Authority's contract with the State of New Jersey for provision of law enforcement services contains an indemnification provision requiring the Authority to defend and indemnify Troopers, the State Police and the State under certain circumstances. The Authority is defending each case vigorously and has asserted that it has no liability. In the event the Authority is found ultimately to be liable, the Authority believes that it will be covered by insurance policies for a significant portion of such liability and that any payments in regard to such portions that are not covered by insurance would not materially adversely affect the operations of the Authority.

In addition, the Authority is party to a number of claims which are incidental to performing its routine operations and functions. In the opinion of management, the ultimate resolution of these matters will not have a material effect on the Authority's financial position or cash flows.



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SCHEDULE OF INVESTMENTS

DECEMBER 31, 2001

Schedule 1

	Interest Rate	Maturity	Cost	Par Value
Revenue Fund:				
U.S. Treasury Backed Notes	1.33% - 1.68%	1/2/02 - 1/10/02	\$ 55,055,243	\$ 55,076,000
Repurchase Agreements	1.49%	1/3/02	9,000,000	9,000,975
			64,055,243	64,076,975
Construction Fund:				
U.S. Treasury Backed Notes	1.40% - 1.95%	1/2/02 - 1/28/02	67,951,592	68,027,000
Commercial Paper	1.64%	1/7/02	14,899,999	14,904,752
Repurchase Agreements	Variable, 6.61% and 6.65%	1/1/02 - 6/1/05	889,916,051	889,962,919
			972,767,642	972,894,671
Maintenance Reserve Fund:				
Commercial Paper	1.64%	1/7/02	7,500,000	7,502,392
Special Project Reserve Fund:				
U.S. Treasury Backed Federal Agency Discount Notes	1.61% - 1.76%	1/3/02 - 3/1/02	37,583,723	37,636,000
General Reserve Fund:				
U.S. Treasury Backed Notes	1.62%	1/18/02	15,399,516	15,412,000
Commercial Paper	1.60%	1/7/02	19,644,999	19,651,113
			35,044,515	35,063,113
Charges Fund:				
U.S. Treasury Backed Notes	1.42% - 1.62%	1/2/02	116,982	117,000
Debt Service Fund:				
U.S. Treasury Backed Federal Agency Discount Notes	1.42% - 2.22%	1/2/02 - 1/3/02	129,833,374	130,062,000
Debt Reserve Fund:				
Repurchase Agreements	Variable and 6.42%	5/15/05	50,787,600	50,787,600
Total investments			\$1,297,689,079	\$1,298,139,751

SCHEDULE OF CASH RECEIPTS & DISBURSEMENTS

YEAR ENDED DECEMBER 31, 2001

	Funds Held by Authority			
	Revenue Fund	Construction Fund	Maintenance Reserve Fund	Special Project Reserve Fund
Cash balances, December 31, 2000	\$ 15,430,522	4,001,038	130,181	1,448,795
Revenues	486,286,108	—	—	—
Transfers from Revenue Fund	(82,543,871)	—	26,300,000	32,115,871
Net change in investments	(31,587,514)	83,809,623	(5,075,001)	(4,684,448)
Net change in receivables	8,209,845	342,811	—	2,290,891
Net change in cost of investment in facilities	—	(98,350,231)	—	—
Net change in other assets	—	27,039	—	—
Transfer of funds, net	(29,601,363)	9,976,060	4,798,425	6,593
Increase in bond indebtedness	—	2,727,918	—	—
Operating disbursements	(176,876,229)	—	(26,153,944)	(33,798,260)
Sinking fund payment	—	34,315,000	—	—
Sinking fund transfer	—	(34,315,000)	—	—
Transfers to fund bond interest expense	(46,145,000)	—	—	—
Bond interest expense	(118,691,372)	—	—	—
Payments to State of New Jersey	—	—	—	—
Establishment of debt reserve fund	—	—	—	—
Net change in current liabilities	4,401,002	3,325,987	270,487	4,412,007
	13,451,606	1,859,207	139,967	342,654
Cash balances, December 31, 2001	\$ 28,882,128	5,860,245	270,148	1,791,449

	Cash Balance	Market Value of Securities Pledged to Secure Deposits
Cash balances:		
Toll collectors and other imprest funds	\$ 196,170	—
First Union	15,881,552	52,643,181
Chase	69,647	5,610,185
Bank of New York	2,183,981	12,399,080
Fleet Bank	18,503,299	30,320,000
Commerce Bank	50,000	516,875
	\$ 36,884,649	101,489,321

Schedule 2

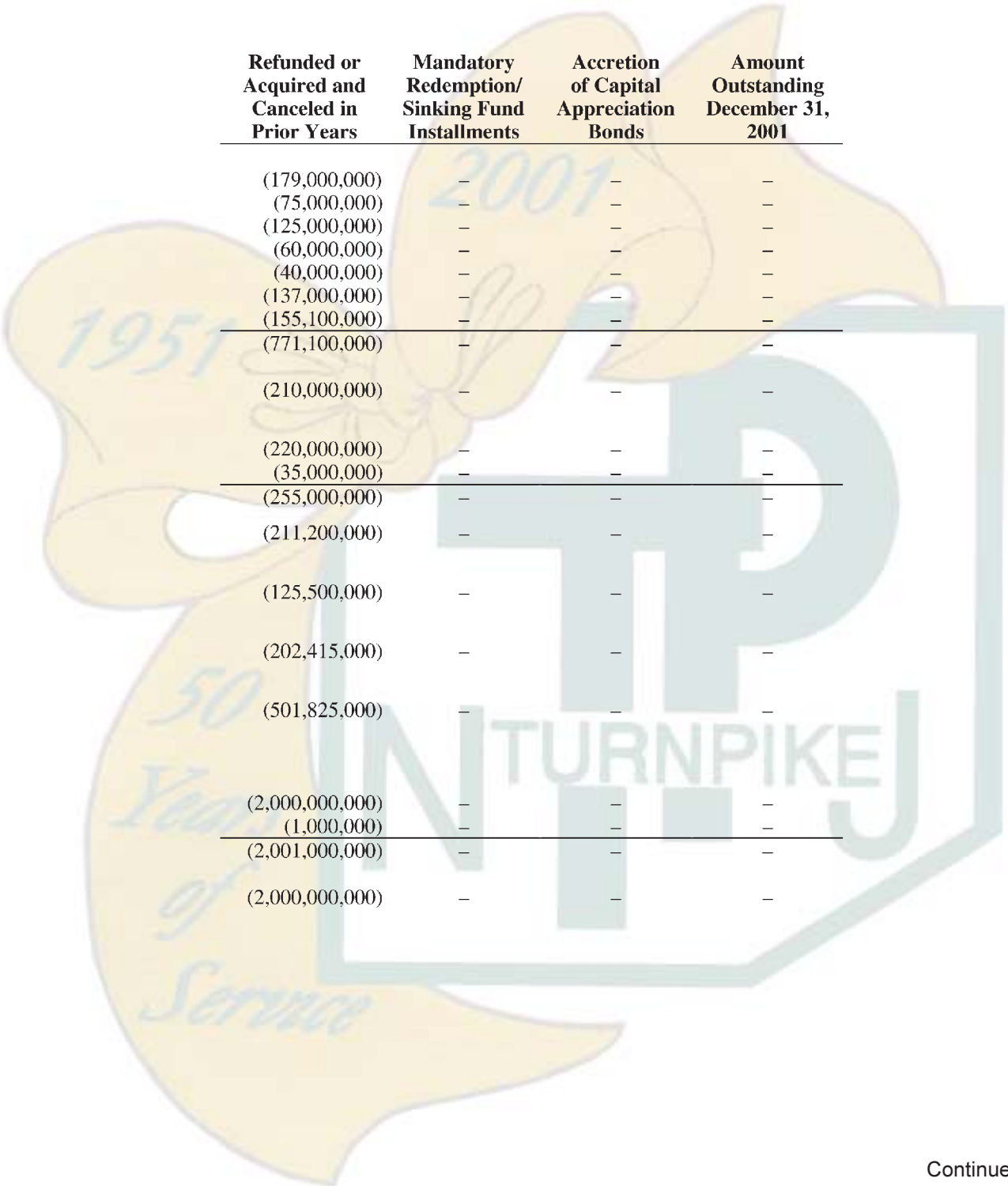
Funds Held by Trustee				
General Reserve Fund	Charges Fund	Debt Service Fund	Debt Reserve Fund	Total
342,296	5,969	45,603	—	21,404,404
—	—	—	—	486,286,108
22,000,000	2,128,000	—	—	—
(12,671,618)	(62,012)	(8,986,351)	—	20,742,679
—	—	—	—	10,843,547
—	—	—	—	(98,350,231)
—	—	—	—	27,039
12,399,226	100,000	2,321,059	—	—
—	—	—	—	2,727,918
—	(2,169,535)	—	—	(238,997,968)
—	—	(34,315,000)	—	—
—	—	—	—	(34,315,000)
—	—	46,145,000	—	—
—	—	190,134,622	—	71,443,250
—	—	(190,134,622)	—	(190,134,622)
(22,000,000)	—	—	—	(22,000,000)
—	—	(5,201,958)	—	7,207,525
(272,392)	(3,547)	(37,250)	—	15,480,245
69,904	2,422	8,353	—	36,884,649

SCHEDULE OF BOND INDEBTEDNESS

DECEMBER 31, 2001

	Original Amount Authorized and Issued
Turnpike revenue bonds:	
Series A, 4.75% (1966 issue), maturing January 1, 2006	\$ 179,000,000
Series A, 5.12% (1968 issue), maturing January 1, 2008	75,000,000
Series C, 5.20% (1968 issue), maturing January 1, 2008	125,000,000
Series D, 5.75% (1969 issue), maturing January 1, 2008	60,000,000
Series E, 5.87% (1969 issue), maturing January 1, 2008	40,000,000
Series F, 7% (1969 issue), maturing January 1, 2009	137,000,000
Series G, 5.75% (1972 issue), maturing January 1, 2009	155,100,000
	<hr/> 771,100,000
Turnpike improvement revenue bonds:	
First series, 5.70% (1973 issue), maturing May 1, 2013	210,000,000
General revenue bonds:	
Turnpike revenue bonds (1950 issue), 3.25%, matured January 1, 1985	220,000,000
Turnpike revenue bonds (1951 issue), 3.20%, matured January 1, 1986	35,000,000
	<hr/> 255,000,000
Second series revenue bonds	211,200,000
Turnpike notes:	
Series A, 4.62% (1971 issue), matured January 1, 1975	125,500,000
Turnpike system revenue bonds:	
First series, 6% (refunding issue), maturing January 1, 2014	202,415,000
Turnpike revenue bonds:	
1984 Series, 6.75% to 12%, maturing January 1, 2003 through 2014	501,825,000
Turnpike revenue bonds:	
1985 series, bi-modal multi-term format (BMTF):	
Mode 1 (tender dates ranging from one week to July 2, 1990)	2,000,000,000
Mode A (tender dates ranging from one week to January 1, 2018)	1,000,000
	<hr/> 2,001,000,000
1985 series, Mode A, 7.2% maturing January 1, 2018	2,000,000,000

See accompanying notes to financial statements.

Schedule 3

Refunded or Acquired and Canceled in Prior Years	Mandatory Redemption/ Sinking Fund Installments	Accretion of Capital Appreciation Bonds	Amount Outstanding December 31, 2001
(179,000,000)	—	—	—
(75,000,000)	—	—	—
(125,000,000)	—	—	—
(60,000,000)	—	—	—
(40,000,000)	—	—	—
(137,000,000)	—	—	—
(155,100,000)	—	—	—
(771,100,000)	—	—	—
(210,000,000)	—	—	—
(220,000,000)	—	—	—
(35,000,000)	—	—	—
(255,000,000)	—	—	—
(211,200,000)	—	—	—
(125,500,000)	—	—	—
(202,415,000)	—	—	—
(501,825,000)	—	—	—
(2,000,000,000)	—	—	—
(1,000,000)	—	—	—
(2,001,000,000)	—	—	—
(2,000,000,000)	—	—	—

Continued

SCHEDULE OF BOND INDEBTEDNESS (CONTINUED)

DECEMBER 31, 2001

	Original Amount Authorized and Issued
Turnpike revenue bonds:	
Series 1991 A, 5.25% to 6.90%, maturing January 1, 1994 through 2003, January 1, 2008 and January 1, 2014	\$ 423,205,000
Series 1991 B, 4.45% to 5.25%, maturing January 1, 1994 and January 1, 1995	79,340,000
Series 1991 C, 4.80% to 6.50%, maturing January 1, 1994 through 2011, January 1, 2013 and January 1, 2016	1,247,850,000
Series 1991 D, (interest at 6.19% under an interest rate swap agreement) maturing January 1, 2018	371,000,000
Series 1992 A, 4.80% to 6.20%, maturing January 1, 1996 through 2006, January 2012 and January 1, 2018	741,110,000
Series 1992 B, capital appreciation bonds, maturing January 1, 2000 through 2012 with yields to maturity at 6.10% to 6.70%	30,016,972
Series 2000 A, 4.80% to 6.00%, maturing January 1, 2001 through January 1, 2030	1,467,375,000
Series 2000 B-G, at variable rates not to exceed 10%, maturing January 1, 2001 through January 1, 2030	400,000,000
	<u>4,759,896,972</u>
	<u>\$11,037,936,972</u>

Note:

As of December 31, 2001, bond and note indebtedness totaling \$7,145,800,000 had been defeased or retired from the following sources:

Revenues

Excess construction funds, bond proceeds and miscellaneous receipts allocated to revenues

Issuance of Series G (refunding issue) Turnpike Revenue Bonds to refund Series F bonds for redemption on January 1, 1979

Portion of proceeds of the 1973 Turnpike Improvement Revenue Bonds used to retire Turnpike notes, Series A

Issuance of Turnpike System Revenue Bonds, first series (refunding) to refund the 5.70% Turnpike Improvement Revenue Bonds, first series, for retirement in accordance with sinking fund installment established at the time of their issuance

Issuance of Turnpike Revenue Bonds, 1984 Series to refund the Turnpike Revenue Bonds Series A through E and Series G and the Turnpike System Revenue Bonds, First Series (refunding), for retirement in accordance with sinking fund installments established at the time of their issuance

Issuance of Turnpike Revenue Bonds, 1985 Series, Mode A used to retire 1985 Series bi-modal, multi-term format Mode 1 Bonds

Retirement of Turnpike Revenue Bonds, 1985 Series, Mode A

Issuance of Turnpike Revenue Bonds, Series 1991 A through D to refund Turnpike Revenue Bonds, 1984 Series and a portion of Revenue Bonds, 1985 Series

Redemption and retirement of Turnpike Revenue Bonds, 1985 Series from moneys in the Construction Fund

Issuance of Turnpike Revenue Bonds, Series 2000 A to refund a portion of Turnpike Revenue Bonds, Series 1991 A, Series 1991 C and Series 1992 A

Schedule 3
(Continued)

Refunded or Acquired and Canceled in Prior Years	Mandatory Redemption/ Sinking Fund Installments	Accretion of Capital Appreciation Bonds	Amount Outstanding December 31, 2001
(89,180,000)	(184,465,000) (79,340,000)		149,560,000 —
(377,125,000)	(18,505,000)		852,220,000 371,000,000
(401,455,000)	(225,030,000)		114,625,000
	(10,800,159)	24,570,329	43,787,142 1,467,375,000
			400,000,000
(867,760,000)	(518,140,159)	24,570,329	3,398,567,142
(7,145,800,000)	(518,140,159)	24,570,329	3,398,567,142

\$ 557,840,082
20,037,918
137,000,000
125,500,000
210,000,000
724,837,000
2,000,000,000
1,000,000
2,085,460,000
416,365,000
867,760,000
\$7,145,800,000

SCHEDULE OF TOLL REVENUE **YEARS ENDED DECEMBER 31, 2001 & 2000**

Class	Description
1	Passenger car, motorcycle, taxi or hearse, light truck
2	Vehicles having two axles other than type described under Class 1
3	Vehicle (vehicles), single or in combination, having three axles
4	Vehicle (vehicles), single or in combination, having four axles
5	Vehicle (vehicles), single or in combination, having five axles
6	Vehicle (vehicles), single or in combination, having six or more axles
7	Buses having two axles
8	Buses having three axles
	Nonrevenue vehicles
	Discounts
	Violations *
	Violation collections
	Other adjustments

Schedule 4

2001		2000	
Toll Revenue	Number of Vehicles (unaudited)	Toll Revenue	Number of Vehicles (unaudited)
\$280,741,739	199,320,571	249,952,954	189,615,251
21,882,574	7,040,591	20,198,149	6,830,344
11,939,160	3,161,617	10,493,772	2,938,323
14,390,251	2,593,740	13,748,714	2,627,022
103,426,347	14,649,507	95,772,179	14,418,719
1,828,466	203,593	1,532,791	178,397
693,828	375,519	643,355	369,495
5,148,675	1,428,256	4,479,842	1,303,040
–	1,437,853	–	1,679,410
440,051,040	230,211,247	396,821,756	219,960,001
(263,360)		(2,188,342)	
(9,637,283)		(2,392,642)	
4,584,881		373,142	
(866,349)		(578,656)	
<u>\$433,868,929</u>		<u>392,035,258</u>	

NOTES



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